

# DAILY REPORT

*China*

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ZHAO ZIYANG MEETS EXXON, SHELL OFFICIALS

OW241728 Beijing XINHUA in English 1515 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that "It is China's established and long-term policy to develop her resources in cooperation with foreign countries in the country's current modernization drive and this policy will not change."

The Chinese premier made the statement this afternoon when he was meeting C.C. Garvin, chairman of the board of directors of the Exxon Corporation of the United States, and P. Baxendell, chairman of the committee of managing directors of the Shell group of companies. "We understand that to realize this policy, we must guarantee the legitimate interests of the investors," Zhao Ziyang added.

Esso China Limited, an affiliate of the Exxon Corporation, and Shell Exploration (China) Limited, an affiliate of the Shell group of companies, signed two contracts here Tuesday with the China National Offshore Oil Corporation (CNOOC) for joint exploration and development of oil in the Pearl River mouth basin of the South China Sea.

Zhao Ziyang stressed, "China keeps its word and honors its contracts. The contracts signed with China have legal effect." Mr. Garvin said that they have hopes for and faith in cooperation with China and are prepared for long-term investment in the country.

Premier Zhao said: "China attaches importance to economic cooperation with the United States, Britain and other developed countries." Things are improving with regard to low efficiency and poor service in the country, he said, adding, "Those who cooperate with China need courage, but will suffer no losses in the end." Mr. Garvin said they are grateful and encouraged by the premier's remarks.

Premier Zhao praised the two oil corporations for their wide experience and advanced technology in oil exploitation and expressed the hope for their endeavour to introduce advanced technology in their joint exploitation of China's offshore oil. Mr. Garvin replied that there is no difficulty in introducing advanced knowhow and technology in either exploitation or production.

After the meeting Premier Zhao was presented by Mr. Garvin with a bronze figure of a cowboy on horseback, signifying the spirit of exploration, and by Mr. Baxendell with an oil painting of River Thames landscapes in London of the mid-19th century. The gifts were given as a token of their friendly feelings for the Chinese people.

Present on the occasion were Tang Ke, minister of petroleum industry, Wei Yuming, vice-minister of foreign economic relations and trade, and Qin Wencai, president of the China National Offshore Oil Corporation. [Beijing XINHUA Domestic Service in Chinese at 1521 GMT on 24 August in a report on Zhao Ziyang meeting the Exxon and Shell officials adds Gu Ming, deputy secretary general of the state council, as also being present at the meeting]

Also present were Arthur W. Hummel, U.S. ambassador to China, and G.E. Clark, charge d'affaires ad interim of the British Embassy in Beijing.

PRC DELEGATE ADDRESSES DELHI DISARMAMENT MEETING

OW241910 Beijing XINHUA in English 1830 GMT 24 Aug 83

[Text] New Delhi, August 24 (XINHUA) -- "The situation in this region, is very changeable and not very tranquil."



In recent years, several major events have occurred there such as the aggression against Afghanistan and Kampuchea. This is stated here today by Wang Chuliang, Chinese delegate at the U.N. regional conference for the world disarmament campaign for the Asian and Pacific region.

He said, with a large population, rich in resources and having strategic importance, the Asian and Pacific region is naturally becoming an important area for contention between the two hegemonists. "In the face of the grim international situation, the peace-loving peoples, the Third World countries and other peace-loving countries as well are working actively for the maintenance of world peace, against the aggression and expansion by the hegemonists and for progress in disarmament."

He pointed out: "The recent years, another phenomenon in disarmament which has drawn the attention of the people is the mass struggle against nuclear war and for disarmament launched on a large scale by the people throughout the world." "There is no doubt that in the process for disarmament, the work to inform and educate in connection with disarmament under the auspices of the United Nations is of great importance."

"China is a peace-loving country and the Chinese are a peace-loving people. China will never seek for hegemony. The general guidelines of China's foreign policy are: oppose hegemonism and maintain world peace." "We are ready to establish and develop relations and cooperate with various non-government organizations and personages in the future in a joint effort to champion the cause of disarmament and world peace," he said.

#### RENMIN RIBAO REVIEWS U.S.-SOVIET ARMS TALKS

HK241030 Beijing RENMIN RIBAO in Chinese 24 Aug 83 p 7

[Article by Zhang Dezhen: "MX Missiles and U.S.-Soviet Nuclear Talks"]

[Text] After many twists and turns over a long time, the U.S. Senate and House of Representatives finally approved the Reagan administration's plan for deploying 100 MX missiles in the existing Minuteman missile launching silos and also approved the manufacture of the first batch of MX missiles next year. Thus the heated disputes over the deployment of MX missiles have, after all, been brought to an end in the United States.

The MX missiles are large multiwarhead continental missiles the United States has developed to increase its strategic weapons strength and to make up for its weakness in land-based missiles. The Congress had all along refused to approve of their manufacture because a great deal of money is needed to manufacture them and it is difficult to find a reliable method for deploying them. Not long after Reagan assumed office he put forward a provisional plan for deploying MX missiles temporarily in the launching silos of the Minuteman missiles. The Congress disagreed with this plan then and so it was not approved.

Some discussions later the Reagan administration again selected a so-called "dense" deployment plan at the end of last year. This was also opposed and disapproved by Congress. Under such circumstances Reagan set up a "strategic strength commission" at the beginning of this year. This commission was headed by the former adviser for national security affairs, Scowcroft, and it restudied the problem of deploying MX missiles and other related problems.

In April this year this committee put forth a package suggestion. This suggestion reflected the Reagan administration's position on arms while adopting some opinions of Congressmen. In this way the majority of the Congress, which formerly opposed the deployment of MX missiles, adopted an attitude of supporting it.

This suggestion, which was put forward by the Scowcroft Commission and was supported by the Reagan administration, includes the following three main aspects:

1. There are plans to develop a type of small single-warhead continental missile called Midgetman missile, which, if possible, is to be deployed in the 1990's when 100 MX missiles, are deployed. According to reports disclosed by related sources in the United States, this type of small single-warhead missiles has several advantages: a) The production costs are low. b) They have great mobility and can be deployed on vehicles which move around to avoid surprise attacks. c) Their deterrent strength is relatively less than that of MX missiles. It is said this can make nuclear parity between the two superpowers "relatively more stable." Some people in the United States think that because of these characteristics, small single-warhead missiles are more attractive than MX missiles which require higher production costs and can be destroyed more easily and consequently have given rise to extensive disputes.

2. The Scowcroft Commission suggested that the United States adopt a more "flexible" attitude in talks to reduce strategic weapons. In accord with this suggestion President Reagan put forward a new disarmament plan when the U.S.-Soviet nuclear talks resumed on 8 June. Compared with the U.S. suggestion advanced last year, the new plan is a bit more flexible -- the restriction on the number of both sides' ballistic missiles has been somewhat relaxed. Originally the United States suggested that the maximum number of land-based continental missiles and sea-launched missiles of each side should not exceed 850. Recently the United States disclosed that each side can have 1,200 ballistic missiles and 400 long-distance bombers, that is, a total of 1,600 pieces. This limit comes closer to the limit for strategic weapons put forward by the Soviet Union. Obviously, this is a new pose adopted by the United States.

3. The Scowcroft Commission also suggested that in future U.S.-Soviet talks on "arms control," the stress should be shifted from reduction of nuclear vehicles to reduction of warheads. According to the analysis of U.S. military specialists, the aim of advancing this suggestion is to encourage the development of small single-warhead missiles and to stop the infinite development of multiwarhead missiles. It seems that the United States is trying to restrict the development momentum of Soviet land-based multiwarhead missiles by stressing a restriction on warheads.

Presentation of the above proposal was by no means a mere accident. Engaged in the arms race for many years, both the United States and the Soviet Union are constantly increasing their nuclear weapon stocks making the financial burden heavier and heavier on both sides. The waves of the antinuclear movement rise in succession and are in the ascendant in the United States, while the drive to appeal for cutting military expenditures and stopping the nuclear arms race is on the upsurge. To meet with congressional approval of the MX missile project and to win the victory in next year's reelection campaign, the Reagan administration was forced to make a small change in its way of handling things.

As everybody knows, the Reagan administration has made some adjustments in its policy on nuclear arms since it first took power and has adopted the principle of a "position of strength plus negotiations." The decision to deploy MX missiles and the new disarmament proposal are exactly the U.S. twin policy toward the U.S.-Soviet nuclear talks. On the one hand the U.S. Government tries to increase its military strength and its "bargaining power" in the talks by deploying MX missiles. On the other hand it hopes to reach certain agreement with its rival in the talks by presenting the new disarmament proposal and making a flexible gesture. However, this is only wishful thinking by the United States. In reacting to the United States' deployment of MX missiles, the Soviet Union declared that it would never make a concession under "pressure" but would respond to the U.S. challenge by deploying some intercontinental missiles of the same grade. The Soviet Union has also shown indifference toward the new disarmament proposal put forth by Reagan. Since the United States insists on reducing the number of ballistic missile warheads of each side to 5,000 or below (of which the number of warheads of land-based missiles comprise only one-half) the quota for ballistic missiles is raised in the new proposal. The Soviet Union will never accept such an offer because it realizes that the proposal is unfavorable to it. Therefore, although the two sides have shown flexibility in the talks and the United States even declared that it would not rule out the possibility of concluding an agreement on reduction of strategic arms before next year's election campaign, it will still be very difficult for the two sides to make any substantial breakthrough in the nuclear talks because of the great difference between their stands.

DENG CITED IN TRAINING, MODERNIZATION, TAIWAN

HK221257 Beijing LIAOWANG in Chinese No 7, 20 Jul 83 pp 8-9

[Article by Yu Jiafu and Chai Shikuan: "Qualified Personnel, the Four Modernizations, and China's Reunification -- Profiling Comrade Deng Xiaoping's Interview With Foreign Scientific and Technological Experts of Chinese Descent"]

[Text] On the morning of 18 June, the sun of early summer shed its bright light into the Great Hall of the People. From the east parlor of the north gate of the Great Hall of the People came bursts of laughter and merry voices. Here Comrade Deng Xiaoping was talking pleasantly with 20 foreign scientific and technological experts of Chinese descent, who were attending the forum of 1983 held in Beijing on policies concerning science and technology.

Before Comrade Deng Xiaoping met with the guests, he had already heard the report made by the leading cadres of the State Scientific and Technological Commission. He warmly congratulated the guests on the success of the forum. He said: "The forum is a new approach. The present one is a good beginning, and the practice should continue in the future. It is very important for you to make preparations each year and to come to China to gather material and then to get together to hold discussions. The topics for the discussions next time may be more specific."

These accomplished and distinguished scientists, who came from the United States and Canada, were somewhat restrained in their manner when they first shook hands with Comrade Deng Xiaoping. But as they listened to Comrade Deng Xiaoping's cordial words, their conversation turned lively and brisk.

Tien Ping King, academician of the National Academy of Sciences in the United States and head of the Department of Electron Physics at Bell Laboratories, sat at Comrade Deng Xiaoping's side. He asked cordially: "How is your health?" The 79-year-old Deng replied: "Quite fair. No serious illnesses. Of course, natural laws cannot be violated." He continued: "My method is that I do not take care of routine matters. Prof Kuh Shou-ren [5514 1343 0088, Ernest Kuh], dean of the Institute of Technology of California State University of the United States, said: "There are certain things that you must handle yourself." Then all present enthusiastically talked of the problem of training competent persons.

In the past few days, these foreign experts of Chinese descent exchanged views with more than 30 Chinese specialists on some macroscopic and strategic problems such as policies on science and technology, planning, management and administration, and the orientation for the technology in some specialized fields. These foreign scientists of Chinese descent are engaged in a great variety of specializations, including computer science, communication, biological technology, agricultural engineering, energy resources, chemical engineering, and so forth. They have put forward many valuable comments and proposals concerning our problems in the fields of science and technology, the problem of training qualified personnel in particular. Comrade Xiaoping said: "It is very beneficial."

Nieh Hwa-tung [5119 5478 2717], professor of physics at the State University of New York at Stonybrook, said: When talking of training qualified personnel, every one of us feels that China should train a batch of capable persons with both management ability and scientific and technological knowledge. Only thus can the implementation of policies on science and technology be effective.

Comrade Deng Xiaoping said: We lack this kind of able person. We have plenty of people but they should undergo training. There are bright prospects for those who are about 40 years old. They should learn something and learn management. Therefore, training the youths and the middle-aged persons is our greatest problem at present. It is true of all trades and professions. Naturally, I do not mean that the old are useless. Comrade Deng Xiaoping said that we should train people who are about 40 years old or under 50. We are not going to train one or two persons, but thousands upon thousands of them. A few years later, they will take their turn on duty. This is the central issue in our reform. This issue cannot be tackled well in 3 to 5 years but will take 10 years to solve.

Prof Liu Chuan-Sheng [0491 0356 3932] is an expert in energy resources in the (general atomic energy technology corporation) of the United States. He asked Deng Xiaoping: Should there also be a forum on educational policy?

People can still remember that a few years ago, because of Comrade Deng Xiaoping's proposal, the enrollment system of our colleges was changed from "recommendation" to examination, with the result that a great upsurge in studies was facilitated among the youngsters. Today, education is still of major concern to him. When queried by the expert, he replied: Very well. There can be one in the future. He said emphatically: "The key in building the four modernizations is the problem of knowledge. In his Government Work Report, Premier Zhao Ziyang stressed that intellectual investment should be speeded up. However, the speed should not be too fast, mainly because we do not have sufficient funds. Nevertheless, intellectual investment should be one of the key items in our planned investment. In terms of economic construction, energy resources and communications are key items. But it seems that intellectual exploitation should be more important."



Seeing that Comrade Deng Xiaoping was in high spirits, the experts talked in a freer and livelier way, striving to raise questions or to express opinions. The interview, which was originally meant for courtesy, turned into a forum. Some experts spoke about the problem of regional floating of scientific and technical personnel in our country. They suggested that the scientific and technical personnel, after they have worked for a few years in the Academy of Sciences, might work in the colleges for several years and then go on to work in production departments for another several years. They thought that this practice would lead to beneficial results.

Comrade Xiaoping said: This suggestion is quite correct. We are sure to put it into practice. It will be beneficial to various departments concerned and to the scientists themselves. Otherwise it will be a waste of knowledge if the scientists cannot make use of their specialized knowledge and go to do something else. He pointed out that because of the long-term practice of "each doing things in his own way," it was hard to accomplish anything. Therefore, this practice should be changed gradually.

Prof Kuh Shou-ren added that the Chinese leaders were very farsighted and he wanted to express his admiration. Eighteen doctor's degrees were conferred this year and many more should be conferred, because colleges needed these experts to train qualified people.

[Paul] Leung Pei-lu, chief engineer of Packard Electric Engineering Company, in the United States, said: "China should train a batch of scientific and technical personnel engaged in the study of system engineering. In American engineering colleges there are several required courses such as the science of decisionmaking, engineering economics, enterprise management, and system engineering. What Chairman Deng just talked about belonged in essence to system engineering."

Deng Xiaoping, with a wave of his hand, said: "We came across the term system engineering only a few years ago. In the past we only paid attention to basic sciences, such as physics and so on, and neglected system engineering. We attached importance to it only 2 years ago."

Comrade Fangyi, who attended the interview, chimed in and said: In China, some people are writing books in this field. Qian Xuesen had written something about it in the past. Now various colleges are encouraging studies in this field.

All foreign scientific and technical experts who were present at the interview were quite familiar with the conditions and tradition of China. Especially in the past few years, they have paid many visits to China and gotten to know many new things in addition to their old knowledge and impressions. They had some in-depth understanding of the merits and demerits, the achievements and setbacks of science and technology in China. At the same time they knew that Comrade Xiaoping, at the national science and technology conference in 1978, expressed his willingness to serve as the "head of the logistics department" for scientific workers, and that he was very enthusiastic about promoting the development of science and technology. Today they talked freely and cheerfully about their views.

North American experts present at the interview also talked with great interest about other problems.

Kung Shain-dow, professor of biology at Maryland University of the United States, asked: Should education in secondary and primary schools, especially the education in rural areas, be changed to a certain extent?

Deng Xiaoping said: There are bright prospects for rural education. Recently, a new approach has been explored for rural education. Primary schools can be run by local people. The peasants are quite wealthy now, and they are willing to engage experts. This was impossible in the past because a peasant had an annual income of only several dozen yuan. Now there are peasant households whose per capita income is over 300 to 400 yuan, and there are even peasant households with an annual income of 10,000 yuan. Now, they engage experts and attach importance to knowledge. He said: If primary schools are run by peasants, the state can concentrate its efforts on middle school and college education, and thus middle school education will be strengthened. We have just started taking this approach.

Talking about rural areas, Comrade Xiaoping told the experts about his recent inspection tour to Jiangsu and other places. He said: "Jiangsu is doing quite well. Take Wuxi for example. Its per capita output value approaches \$700. As for Jiangsu, its per capita output value is over \$500. In Jiangsu, people consume comparatively more meat, and they have little problem with the supply of clothes. With regard to articles for daily use, more TV sets are available now, and the same is true of the supply of washing machines. By the end of this century, when the per capita figure regarding the general output value of our industry and agriculture reaches \$800, we can live quite well.

Nie Hwatung suggested that the general situation in the countryside, which was very good, should be further developed, and that he hoped that the government would provide rural areas with loans so that production could develop more rapidly.

Deng Xiaoping said: The peasants now have quite a lot of money. Savings accounts in the countryside have recorded more than 30 billion yuan to the peasants' credit. Of course credit loans to the rural areas should be granted. The problem is the excessive propaganda regarding households earning 10,000 yuan per year, and this practice is no good as we should take the overall situation into account. The advantage of socialism is: Despite many mistakes committed in China, we can still ensure that people in poor and backward regions are able to have food to eat and clothes to wear. We are against egalitarianism because it is harmful to our development. The Third Plenary Session pointed out that it would be a good thing for a portion of regions and a portion of persons to get rich first.

Liao Zizhao is a relative of Comrade Liao Chengzhi (his wedding was presided over by the revered old lady He Xiangning), and he is now the vice chairman of the (Continental Overseas Petroleum Company) of the United States. He requested Comrade Deng Xiaoping to talk about problems concerning reform in the economic system.

Deng Xiaoping said: This is a very complicated problem. Management and marketing, ways to enhance economic results, substituting taxes for profits delivered to the state, and others -- all these are problems in the reform. We should proceed gradually and in a very steady and sure way.

Some experts asked: Will China's policy change? How is your confidence?

Comrade Deng Xiaoping said: There will be no change. The path we take is correct. Therefore, the people are happy and we have confidence. Since the path is correct, why should we change it? If the policy should change it will only change for the better.

China will go even further in its policy of opening to the outside world and this path will not become narrower but broader. We have suffered a lot from taking the narrow path. If we take the road of retrogression, we will return to backwardness and poverty.

Comrade Xiaoping continued, saying: We can say with full confidence that we can achieve the objective set for the end of this century. The four modernizations we are engaged in are Chinese-type modernizations. What we are building is Chinese-type socialism. We should take fully into consideration our actual conditions and our capabilities and put self-reliance first. We have formulated our policies in this way. It seems that our approach is correct. Since it is correct, why should we change it? When talking about the stability of policy, Comrade Deng Xiaoping expressed his opinion on reunification of the motherland. This was an issue about which people residing overseas showed great concern. The experts listened quietly, and many of them were taking notes. Deng Xiaoping said: When the motherland is reunified in the future, our policy toward Taiwan will not change. Taiwan will be allowed to keep its own armed forces. If Taiwan is in financial difficulties and asks for subsidies, the central government will provide it with subsidies. He said sincerely and earnestly: "We are all kith and kin. The country needs reunification, without which it will have no hope. People like us are getting old and we all hope that the nation will really achieve reunification. If we achieve this cause left over by our predecessors, our descendants will remember us. If we fail to achieve it, our descendants will blame us when they write the country's history. This is a matter of great import. There are favorable conditions for us to accomplish what our predecessors failed to achieve."

Deng Xiaoping said: "We have spoken to many people about the third round of cooperation between the KMT and the Communist Party. In the past we called it "KMT-Communist cooperations," and we are not now changing it to "Communist-KMT cooperation" (at this point, there were laughter and comments at every corner). KMT-Communist cooperation, in the first place, means cooperation and consultation on an equal footing. It is not consultation between the central government and a local government but consultation between two parties. In trying to accomplish the great cause of reunifying the country, we will give full consideration to terms that Taiwan can accept. We cannot engage in empty talk, but should pay full attention to the future as well as the present reality."

The experts present were all foreign experts of Chinese descent. Many of them spent their primary school, middle school, and even college life in China. How they wished to see talented people emerge in all trades and professions in China, the four modernizations realized at an early date, and China's reunification come true at the earliest possible time! In the experts' minds, this unforgettable interview was the climax of the forum. They were to part in no time, but with reluctance, hoping that the time of reunion would be very soon. A stanza of a poem of the Tang Dynasty reads: "Love lasts though people are separated by a thousand li; 10 years are to elapse before they will see each other." Our friends overseas are all very concerned with our construction and our science and technology. And communication conditions in ancient times are not to be compared with modern ones. Therefore, Chinese experts attending the forum suggested altering the stanza a little: "Love lasts though people are separated by ten thousand li; A year is to elapse before they will see each other." This also expressed the common wish of all the experts residing overseas.

JI PENGFEI MEETS U.S. CONGRESSIONAL GROUP

OW241301 Beijing XINHUA in English 1220 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- State Councillor Ji Pengfei met here this afternoon with a delegation from the Defense Subcommittee of the Appropriations Committee of the U.S. House of Representatives led by Joseph P. Addabbo, chairman of the subcommittee. The two sides exchanged views on questions of mutual concern. Present at the meeting were Hao Deqing, president of the Chinese People's Institute of Foreign Affairs, and Arthur W. Hummel, U.S. ambassador to China.

The U.S. guests arrived here August 21. They met Xu Xin, vice-president of the Beijing Institute for International Strategic Studies.

IISS CITED ON U.S. NUCLEAR TARGETING POLICY

OW241009 Beijing XINHUA in English 0712 GMT 24 Aug 83

[Text] London, August 23 (XINHUA) -- The London-based International Institute for Strategic Studies (IISS) revealed in a study today that the United States had identified 40,000 targets in the Soviet Union for possible attack in the event of a full-scale nuclear war. The study of U.S. nuclear targeting policy entitled "Targeting for Strategic Deterrence" said the number of targets in the Soviet Union as identified by the United States was 2,600 in 1960 and rose to 25,000 in 1974.

The increase of potential targets in the Soviet Union was not the result of the increase of Soviet installations but the result of the location of those installations not [being] previously known, the study said. It said that "Throughout the entire period since 1945 the number of Soviet installations which U.S. target planners have considered it necessary to target has exceeded the weapons available for employment against them." There is no doubt that, to some extent at least, target lists have been generated in order to provide an argument for larger strategic nuclear forces," the study added.

REAGAN LIFTS BAN ON PIPELINE EQUIPMENT TO USSR

OW241405 Beijing XINHUA Domestic Service in Chinese 0839 GMT 21 Aug 83

[Text] Washington, 20 Aug (XINHUA) -- U.S. Department of Commerce spokesman Cooper said today: President Reagan has changed the original decision banning pipeline equipment sales to the Soviet Union. Cooper said: This change is only "a technical adjustment in regulations" on controls and does not imply a change in the general policy of U.S. trade to the Soviet Union. He said: One reason for this decision is that it is very easy for the Soviet Union to purchase such equipment from other Western countries. Another reason is that such equipment involves only "general, not high-grade, technology."

It is reported that Defense Secretary Weinberger objected to Reagan's decision. Weinberger held that considering the interests of the United States and its allies, such equipment should not be sold to the Soviet Union. However, Secretary of Commerce Baldrige and Secretary of State Shultz supported the decision.

Toward the end of 1981, Reagan banned the sales to the Soviet Union of equipment related to the natural gas pipeline in Siberia. Cooper said today that export to the Soviet Union of equipment for oil and natural gas prospecting is still banned.



WEN ZHAI BAO CITES SOVIETS ON CLASS STRUCTURE

HK250815 Beijing WEN ZHAI BAO in Chinese No 94, 22 Jul 83 p 8

[Article by WEN ZHAI BAO materials section: "Different Views of Soviet Theorists on Social Class Structure in the Soviet Union"]

[Text] In recent years, the Soviet theoretical circles have attached great importance to the question of social class structure in the Soviet Union, and there are some differing views.

1. The Question of Whether the Soviet Union Is Already a Proletarian Society

In the 1960's, some people in Soviet theoretical circles maintained that society of the Soviet Union had become a proletarian society. In the 1970's, the formulation gradually become unified, and they all acknowledged that the working class as well as the collective peasantry still existed in the Soviet Union. The country of the whole people was not a proletarian society, only a society without antagonistic and hostile classes. The dying out of the antagonistic class did not establish a proletarian society, and the development of socialism also was not a proletarian society, but a stage in the establishment of a proletarian society. Once the classes die, the historical mission of socialism will also be completed, and society will shift to communism.

2. The Question of Socialist Society With Only One Class

Some scholars maintained that as the workers and intellectuals occupy a bigger and bigger proportion in the population, this will result in all laborers becoming either workers or intellectuals, and there is the possibility of only one class. They said that in the future, all those engaged in agriculture in the Soviet Union will be workers of state farms, and this leaves only one working class. They also said that the United States basically has only the bourgeoisie and the working class, and if the socialist revolution succeeds in the United States, then is there not also the possibility of only one class of socialism! Those who opposed this view maintained that the formulation of the proletarian structure of society cannot be perceived as the mixing of various classes and social groups, and is also not one class swallowing up another class. The essence of this process depends on such aspects as their socioeconomic positions, political and ideological spheres, and cultural standards, which have daily become closer, and on the change and harmonious development of the working class, collective peasants, and intellectuals into a qualitatively new type of laborer. They stressed that because of the dying out of class distinctions, the new composition formed by the merging of the two classes is no longer a class. The social structure at this time is a society of the proletariat and the new type of laborer.

PENG CHONG ADDRESSES BANQUET FOR JAPAN DIETMEN

OW241732 Beijing XINHUA in English 1523 GMT 24 AUG 83

[Text] Beijing, August 24 (XINHUA) -- The Standing Committee of China's National People's Congress held a banquet here this evening to welcome a delegation from the Japanese Diet led by Vice-Speaker Haruo Okada.

Peng Chong, vice-chairman of the N.P.C. Standing Committee, presided over the banquet. He expressed satisfaction with the development of friendly cooperation between the two countries. He said that the Diet has formed closer contacts with the National People's Congress. This has not only helped promote their mutual understanding, but also contributed to the two countries' friendly cooperation.

Peng said that the Chinese people highly value the achievements in developing relations between the two countries. What is more important, they expect continuous improvement in relations between the two countries and better results on the basis of the three-point principle -- peaceful friendship, mutually beneficial equality and long-standing stability.

Peng said that friendship and close cooperation between the two countries and peoples not only conform to the fundamental interests of the two peoples, but also benefit peace and stability in the Asia-Pacific region. History has shown that harmony can benefit both nations while a split can bring only harm. Peng Chong also praised Okada for his great contributions to promoting relations between the two countries and friendship between the two peoples.

Haruo Okada said that during the past years friendly, cooperative relations between China and Japan have undergone marked development, exchanges between the two peoples expanded profoundly and ties between the Diet and the N.P.C. increased. He expressed his hope that, while furthering friendly Sino-Japanese relations, the two countries would work jointly to safeguard peace in Asia and the world as a whole in line with the principles of the Sino-Japanese joint statement and the Sino-Japanese Peace and Friendship Treaty.

Present at the banquet were Lin Liyun and Aisin Giorro Pujie, members of the N.P.C. Standing Committee, [A report on the banquet by Beijing XINHUA Domestic Service in Chinese at 1502 GMT on 24 August here adds: "Liu Shuqing, vice minister of foreign affairs; Sun Pinghua, vice president of the China-Japan Friendship Association; Fan Jin, vice chairman of the Beijing Municipal People's Congress Standing Committee;"] and Yasue Katori, Japanese ambassador to China.

[The XINHUA report here adds: "Before the banquet, Peng Chong met with Haruo Okada and his party, and the guests and the host had a cordial and friendly conversation."]

The Japanese guests arrived here today after a visit to Guangzhou and Guilin in South China.

JAPAN 'NANJING MASSACRE' WITNESS DECRIES WAR

OW231848 Beijing XINHUA in English 1834 GMT 23 Aug 83

[Text] Tokyo, August 23 (XINHUA) -- A Tokyo resident has since last summer travelled most part of Japan giving lectures to expose the crimes of Japanese militarists committed against the Chinese and other Asian peoples during the Second World War.

The 70-year-old Shigeo Nakagawa who, as a rear-service man of the Japanese troops in China, was an eyewitness of the "Nanjing massacre" committed by the Japanese aggressors in 1937. Enraged by the atrocities, he plunged himself into a peace movement after the end of the war.

Nakagawa said that in recent years a handful of Japanese tried to cover up the crimes committed by the Japanese militarists and justify the war of aggression and war criminals. When he heard the assertion that the "Nanjing massacre" was a made-up story, he decided to tell the Japanese people what he knew about the war. Last year, Nakagawa bought a one-hour-long documentary on war crimes of the Japanese troops and began his lecture tour in the country. He has travelled about 40 cities including the metropolitan area and given 120 lectures mixed with film shows to more than 100,000 people. His lectures and film shows touched off strong reactions from various Japanese circles. He has received more than 80 phone calls expressing support to him.

A number of Tokyo's senior middle schools invited Nakagawa to give lectures on history. Some students wrote him to express their determination against war of aggression. Some newspapers carried reports about his lecture tour and praised his accounts about the war as convincing.

But his action has not gone by without trouble. He said he had received about 30 phone calls of intimidation in two days after a local newspaper reported on his tour. However, he has not been frightened. "If I was frightened I would not have spoken up," he said. "What I fear is the Japanese people forget or don't know about the crimes of militarism and therefore overlook the value of peace today," he stressed.

In spite of his advanced age, Nakagawa said he would continue his struggle for peace for the rest of his life.

#### SEOUL MUST 'SEVERELY' PUNISH PRC HIJACKERS

HK251040 Beijing RENMIN RIBAO in Chinese 25 Aug 83 p 6

[Article by Chen Tiqiang [7115 7555 1730], vice chairman of the China International Law Society: "The South Korean Authorities Must Severely Punish the Hijackers"]

[Text] On 18 July this year, the Seoul District Criminal Court began to handle and try the case of Zhuo Changren and 5 other criminals who hijacked the Chinese CAAC airliner No 296. After 30 days, on 18 August it officially sentenced Zhuo Changren to 6 years' imprisonment, Jiang Hongjun and Wang Yanda each to 5 years' imprisonment, and An Weijian, Wu Yunfei, and Gao Dongping each to 4 years' imprisonment. Obviously the court verdict of the Seoul District Criminal Court is not in conformity with the principle of relevant international conventions that the hijacking of a civilian airliner is a grave criminal act for which the offender should be severely punished.

After the hijacking took place, South Korea repeatedly expressed that it would handle the case according to relevant international conventions and relevant South Korean laws. Both China and the South Korean authorities are signatories to the 1970 "Convention for the Suppression of Unlawful Seizure of Aircraft" ("The Hague Convention") and the 1971 "Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation" ("The Montreal Convention").

According to these two conventions (Article 7), if the signatory, in the territory of which the said criminals are discovered, does not extradite the hijackers, it should, without exception, refer the case to authorities in charge for prosecution and decisions should be made according to the laws of respective countries in the same manner as "dealing with any ordinary offence of a serious nature." In accordance with the two conventions, China is the state that is most qualified to exercise jurisdiction over the offense, because China is the state of registration of the hijacked aircraft, the offense was committed within Chinese air space, and the hijackers and most of the passengers are Chinese. The South Korean authorities did not agree to extradite those criminals to China, and insisted that they would put them to trial. However, they have not earnestly fulfilled their commitments to the conventions.

In the course of South Korea's handling the case, there are two points that are noteworthy.

First, the South Korean prosecutor admitted in his explanations demanding penalty that assuring the safety of civil aviation and curbing unlawful acts of seizure are the commitments of the contracting states to "The Hague Convention" and therefore the hijackers must be given severe punishments irrespective of political ideology and in disregard of their aim and motives. On the other hand, however, he stressed the alleged motive of Zhuo Changren and other hijackers, saying that they are neither ordinary hijackers nor terrorists and therefore there are "points worth thinking over." In fact, the prosecutor was trying to alleviate their criminal responsibility on the pretext of their motive of hijacking with a view to reducing their penalty.

As we all know, hijacking constitutes an extremely serious threat to civil aviation safety. No matter what the motives are of the hijackers, this act will instantly endanger the lives of all the crew members and passengers. The decisions of "The Hague Convention" and "the Montreal Convention" are aimed at hijacking: All those who engage in hijacking are committing an offense and are obliged, "without exception whatsoever" (which means no matter what their motives are), to submit to severe punishment. The two conventions stipulated that such cases should be dealt with "in the same manner as in the case of any ordinary offense of a serious nature." An "ordinary offense" means an ordinary criminal case which is not in the nature of a political case. It must be stressed here that no matter what are the motives or purposes of the hijackers, they have committed hijacking offense. Obviously the South Korean authorities are running counter to the spirit of the conventions by stressing the motives of those hijackers.

Second, Article 8 of South Korea's 1974 "Air Flight Security Act" states that "anyone who hijacks an aircraft in flight by force or threat to use force shall be sentenced to life or upwards of 7 years' imprisonment." Article 9 of the same act states that "offender of Article 8 causing deaths or injuries to others shall be sentenced to death or life imprisonment." Hence, even under South Korean law, sentences of 4 to 6 years' imprisonment passed on Zhou Changren and 5 other criminals are obviously too lenient on felonious criminals, not to speak of the fact that the hijackers opened fire to cause injuries to others in the course of their criminal operation although no one was killed. Anyone guilty of causing injuries to others in a plane hijacking should be given heavy sentences, as provided under Article 9 mentioned above. In the whole legal process of handling this case, certain South Koreans stressed time and again that the criminals opened fire "in self-defense", "surrendered themselves" after landing, and the Chinese crew members did not suffer fatal injuries.

All these allegations can in no way justify the passing of light sentences on the criminals. In this case, the crime of opening fire obviously cannot be explained away in terms of "self-defense", because it was the crewmen and the passengers who acted in self-defense while the hijackers were the attackers. So, there could be no "self-defense" to speak of for the hijackers. According to the theory of these persons, any criminal who opened fire in resistance against arrest could be considered as acting in "self-defense". The argument about the degree of injuries is likewise untenable. Article 9 of South Korea's "Air Flight Security Act" covers cases in which criminals cause deaths or injuries to others. Hence, Article 9 is equally applicable to cases involving non-fatal injuries. Therefore, too lenient sentences must not be passed on these felonious criminals even though they have not killed anyone.

After the announcement of the sentences by the Seoul District Criminal Court, foreign news agencies generally believed that the prison terms imposed on the six hijacking criminals were quite lenient. But the Taiwan quarters termed the sentences "rather heavy." They were busy with manoeuvres and continued to exert influence and pressure on the South Korean authorities in a bid to absolve the criminals from guilt through appeal. Reports said that the South Koreans might commute the sentences through a second or third trial or grant the criminals a reprieve and eventually let them proceed to Taiwan. Should the South Korean authorities act in this way, they would gravely violate their international commitments under "The Hague Convention" and "the Montreal Convention". Nor would such act do them any good. All plane hijacking criminals are bitterly hated by the international community. Whether the South Korean authorities implement seriously the commitments of the conventions or play tricks in legal procedures to cheat the world public remains to be seen.



THAILAND'S SAIYUT INTERVIEWED ON PLA, KAMPUCHEA

BK241040 Beijing in Thai to Thailand 1330 GMT 21 Aug 83

[20 August "interview" given by Thai Supreme Commander General Saiyut Koetphon to Chinese correspondents in Beijing -- recorded]

[Text] [Saiyut] First, I would like to thank His Excellency Yang Dezhi for inviting me to make this return visit. He visited our armed forces last year. This is my first official visit to China, and I am very pleased to make this visit because military affairs are very important in any country. Chinese Chief of the General Staff Yang Dezhi's invitation for me to observe the Chinese Armed Forces demonstrates his sincerity and sincere friendship. He gave briefings at the main headquarters, the air force headquarters, the naval headquarters and the senior military college. I was also given the opportunity to observe training and mess facilities at the 3d Division. I am impressed with the ability of the PLA and its lofty history in its sacrifice for the people and the country. I have also been informed that the PLA is undergoing modernization following completion of its liberation tasks. [break in recording]

[Saiyut] As I have learned, the PLA has developed itself into a strong army in the course of the struggle for the interests of the Chinese people. It is now undergoing another developmental step in becoming a modern army. In this regard, I advised (Zhang Tho) the other day that a useful thing which will complement the Chinese Government's policy is modernization of the army's uniform and operations. This will prove beneficial in two areas. Internationally, the PLA model has become adopted by the forces waging struggles against administrations in many countries, particularly in Southeast Asia. This causes people to assume incorrectly that the PLA and such forces are connected. In this regard, I have learned from assurances and seen in actual practice that China, particularly the PLA, has no policy of becoming involved in effecting internal changes in another country. It will not interfere in another country's internal affairs. However, the adoption of the Chinese model can lead to false understanding. If you can successfully tackle this issue, and I know you have already begun doing so, it will help contribute to the achievement of a good understanding and trust between China and the small ASEAN countries.

On the Kampuchean issue, I wish to thank the vice premier and the PRC Government for the support for the ASEAN countries' and Thailand's policy of upholding the UN resolutions on Kampuchea. The United Nations believes Vietnam's action in Kampuchea is wrong and it must withdraw its forces from that country. Thailand and the ASEAN countries feel the Kampuchea problem is the result of conflict between Vietnam and Kampuchea. We are well aware that Vietnam has tried to convince the world that the Kampuchean problem is the result of the conflict between Vietnam and ASEAN, and, according to my understanding, Vietnam has also tried to convince others that the conflict between China and itself is the cause of the Kampuchean problem. I believe the ASEAN countries and China must be careful about this and not let Vietnam accomplish its goal.

Next is how to make Vietnam accept the UN resolutions and the principle accepted worldwide that a country should not use force to bring about a change in another country. On this matter, I feel it requires cooperation among us in the political, economic, and military fields, as necessary. However, as you already know, success is largely up to the people of that country. I feel it is up to the coalition government, which has the support of the Khmer people.

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I believe the countries concerned must assist as possible, and the leaders of both sides must maintain unity. In my conversation with the vice premier, I agreed that we must exercise perseverance, and unity must be maintained among ASEAN, the Coalition Government of Democratic Kampuchea, China and the other countries sharing the same view.  
[break in recording]

[Saiyut] Rotations of forces along the Thai-Kampuchean border have occurred quite often. Tactical relocations of artillery pieces and units are reported often, which should not be a cause for concern because we always monitor the movement of the Vietnamese forces along the border. Their redeployments do not worry us as long as there is not an increase in the overall force. However, a strategic redeployment involving a large number of soldiers would require special attention on our part because it could pose problems. However, concerning the reports you mentioned, I think they involved ordinary tactical redeployments [break in recording]

[Saiyut] We regularly assess the size and capabilities of the Vietnamese forces. The current size and capabilities of the Vietnamese force, taking into consideration the current Soviet assistance, would pose no problem for our forces defending the border. We have proved this on several occasions -- at least on two occasions. Vietnam also always tries to assess our capabilities. I feel we can say with confidence that we can effectively defend our border, and we have our own defense measures. [break in recording]

[Saiyut] I wish to add that Vietnamese forces along pose no threat to us. Given the current level of Soviet assistance, we can successfully handle their capabilities. Of this I am confident. This is one factor. Another factor is that China must help by applying pressure as you are doing now. If these two factors remain as they are now, we are confident of our defense capabilities. [break in recording]

[Saiyut] I think China understands Vietnam better than we do. I have learned that Vietnam is very skillful in propaganda and deception schemes. I am certain Vietnam knows very well what we want. It knows we want it to withdraw its troops and to listen to our views, and Vietnam uses what we want, in order to lull us. Therefore, we must be careful. Thailand must be careful, and I am certain the other ASEAN countries and China are also careful about Vietnam trying to lull us. If there is no benefit in it I think we should be careful about negotiating with Vietnam because we would be exploited. Vietnam has tried to project to the world that we are inflexible and intransigent while it is flexible. I think this is what Vietnam wants to do; therefore, we must try to make the world understand us. Its objective is not to have a dialogue. It wants others to see us as inflexible and it as flexible. [break in recording]

[Saiyut] Finally, I wish to once again thank the chief of the PLA General Staff and the PLA. My visit has enabled me to understand the intentions and the policy of the PLA and the Chinese Government a little better. Another gratifying thing is that China has stuck to the policy of developing the country for the benefit of its people. [words indistinct] other countries to decide their own destinies. I feel this is a very good policy.

I also learned during this visit that the Chinese Government has undertaken measures for its people to increase production through various forms of incentives. I think this is a good method and will be successful.

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As I said earlier, a stable and prosperous China which adheres to the policies mentioned earlier will be a foundation for peace in this region. Because China is a large country, it will be difficult to achieve anything in this region without its cooperation and consent. In this regard, I feel that Thailand and the ASEAN countries -- I think I can speak on behalf of the other ASEAN countries -- are fortunate to have China on our side and to have a policy which corresponds with that of China.

GUANGDONG GOVERNOR ON 3-DAY VISIT TO MACAO

OW250439 Beijing XINHUA Domestic Service in Chinese 0803 GMT 23 Aug 83

[Text] Macao, 23 Aug (XINHUA) -- Liang Lingguang, governor of Guangdong, arrived in Macao on the morning of 22 August for a 3-day visit, at the invitation of Almeida e Costa, Governor of Macao.

Upon arrival in Macao from Zhuhai City, Liang Lingguang and five others were warmly welcomed by Governor E Costa, Ke Zhengping and Zheng Hua, general manager and vice general manager of the Macao Nanguang Company.

Accompanied by Ke Zhengping and Zheng Hua, Liang Lingguang and his party paid a courtesy call on Governor E Costa at the governor's office on the same afternoon. The host and guests had a talk in a cordial and friendly atmosphere. They agreed that increasing the cooperation between Guangdong and Macao will be conducive to the prosperity of both.

In the evening, E Costa gave a banquet in honor of Liang Lingguang and his party at the governor's office. All Macao's department administrators and personages from all circles in Macao were present.



SHANGHAI BANQUET HONORS GREEK PARLIAMENTARIANS

OW241832 Beijing XINHUA in English 1540 GMT 24 Aug 83

[Text] Shanghai, August 24 (XINHUA) -- The Shanghai Municipal People's Congress Standing Committee gave a banquet in honor of the visiting Greek parliamentary delegation led by its President Ioannis Alevras.

In his toast, Hu Lijiao, chairman of the congress, said that the current visit of Alevras would help enhance friendship between China and Greece.

In reply, Alevras expressed the hope that Shanghai, the biggest port in the Far East, and Piraeus port would become sister cities. This would add new content to the friendship between the two countries.

The delegation arrived here from Beijing by special plane this morning. Huang Hua, vice-chairman of the National People's Congress Standing Committee, and his wife He Liliang went to the guesthouse in Beijing to bid them farewell.

Wu Maosun, member of the N.P.C. Standing Committee, is accompanying the Greek guests on the trip.

RENMIN RIBAO ON STATE OF EEC AGRICULTURAL POLICY

HK190312 Beijing RENMIN RIBAO in Chinese 18 Aug 83 p 7

[Article by Jiang Jianguo: "EEC's Agricultural Policy Is Faced With a Test"]

[Text] At present the EEC has many interwoven internal contradictions which bind it hand and foot. The most conspicuous one is its financial difficulties. Some specialists hold that if emergency measures are not taken, the EEC's income may fall short of their expenditures in the second half of this year. The cause of financial difficulties is the excessive expenditure on agriculture. Therefore, a pressing matter of the moment is to readjust the EEC's agricultural policy.

Advantages and Disadvantages of the Agricultural Policy

The EEC's agricultural policy was formulated in the early 1970's. Following the common industrial policy, this is another important EEC policy in the process of merging into an organic whole. This policy covers three basic aspects: 1) Inside the EEC, agricultural products circulate freely, without taxation, at unified official prices. 2) A tariff ceiling is set up in trade relations with outside countries. 3) All member states bear the cost for implementation of this policy and the EEC subsidizes-- in a unified way -- the production, purchase, storage, sales, and export of agricultural products. Thanks to implementation of this policy, people engaged in agriculture can go all out to develop production without worrying about the influence of demand and supply on prices. Therefore, for more than 10 years, agricultural production of all member states has developed at a high speed, changing the long-standing situation of importing large quantities of agricultural products. At present, Western Europe has become an important region for the export of agricultural products. The income of those engaged in agriculture has increased by a big margin and the supply of agricultural products exceeds demand. At present, the wheat stock totals 11 million tons. Surplus milk totals 900,000 tons and the butter stock totals 700,000 tons.

However with the increase of agricultural output, EEC expenditures on agriculture continue to rise. Compared with 1974 figures, what the EEC spent in 1980 on subsidies for cereals, milk products, fruits, and vegetables, and wine increased by 330, 280, 1,000, and 630 percent respectively.

In 1983, the EEC's annual budget totaled \$25 billion, of which expenditures on agriculture alone account for more than 2/3 of the total. In the past few years, there have been large quantities of excess agricultural products on the world market and their prices have dropped. The EEC's financial expenditure on subsidies for maintaining prices of agricultural products has increased sharply and this has been a very acute problem. According to statistics, expenditures on agriculture this year are 35 percent more than last year. It is estimated that advance payment for subsidies to various countries in the first half of this year alone exceeds the planned figure by \$1 billion. Recently the EEC has been forced to add \$2 billion to the budget, of which \$1.6 billion is to be used for agriculture.

Enormous expenditures on agriculture have also obstructed further expansion of the EEC. Spain and Portugal officially applied to join the EEC 5 and 6 years ago but have not yet become EEC members. The essential reason is that, at present, the EEC is not able to give subsidies to agricultural products of these two countries as stipulated by the agricultural policy. Spain is one of the West European countries which export agricultural products and Portugal is basically an agricultural country. If these two countries become EEC member states, the EEC has to give several billion dollars in subsidies for these countries' agricultural products. This will further complicate the EEC's financial situation.

The agricultural production of various EEC member states develops unevenly and agriculture accounts for a different percentage in the economy of these countries. Consequently benefits brought by the common agricultural policy to different countries varies greatly. These differences often give rise to disputes among EEC member states. Although the EEC has adopted some remedial measures to change this state of uneven benefits, it has not been able to put an end to this problem.

#### Different Attitudes Toward Reform

Since the beginning of this year the question of reforming agricultural policy has again been brought up and it seems that an even more urgent solution is needed. This is because, in the past few years, the economic situation of various West European countries has been poor and some member states are not willing to further increase their burdens resulting from the common agricultural policy. They strongly call for reforming the agricultural policy by changing relevant systems. West Germany, Britain, and the Netherlands share this view. Their concrete demands are: to fix an upper limit for annual agricultural expenditures and, on this basis, fix prices for agricultural products while trying to equalize prices of the EEC's agricultural products with those of the world market; set up a common responsibility system so that those who are engaged in agriculture are responsible for losses incurred from excessive agricultural products produced by them. To be specific, this means to limit the guaranteed prices to a certain amount of agricultural products and to reduce subsidies a certain amount of agricultural products in excess of the stipulated quantity. Obviously, the aim of this view is to control the EEC's agricultural expenditures.

France, Italy, and some other countries are quite reluctant to reform the agricultural policy and are unwilling to make major changes. They stress that the reform must not go against the basic principle of the agricultural policy.

In the final analysis, different attitudes of EEC member states toward the agricultural policy reflect their different interests. West Germany, Britain, and some other countries which favor reform gain fewer benefits from the agricultural policy because agriculture accounts for a relatively small percentage of their economy.

On the other hand France, Italy, and some other countries gain more benefits from agricultural policy because agriculture accounts for a relatively large percentage of their economy. Moreover, West Germany and Britain make relatively greater financial contributions to the EEC and subsequently, their financial contributions to the EEC exceed compensations they obtain from it. West Germany, for example, paid a net sum of DM 5.745 billion to the EEC in 1981 and this sum rose sharply by 31.6 percent in 1982 to DM 7.5 billion. Per-capita payment by West Germany to the EEC exceeds its benefits obtained by DM 122. Of course, to West Germany, this is quite a large expenditure and is also why West Germany strongly calls for reforming the EEC agricultural policy.

France is a country which gets major benefits from the EEC agricultural policy. In the past few years, it has had relatively great economic difficulties and an enormous adverse foreign trade balance. Its foreign debts have reached as much as Fr335 billion. Its economy will further deteriorate if it fails to maintain its income from agriculture. Therefore, it opposes reducing the EEC's subsidies to agriculture by a big margin.

#### Looking For Ways To Compromise

The positions of the two sides have been brought closer through bargaining in numerous meetings in the past 6 months.

West Germany and Britain have agreed to increase the EEC budget on condition that the increase be linked with economizing on agricultural expenditures, resolving the problem of rebate for payments advanced by Britain, and admission of Spain and Portugal to the EEC. In principle, France has agreed to negotiate reducing agricultural expenditures on condition that the EEC's financial sources are increased. This "package" plan for negotiations was accepted by various countries at the EEC's Stuttgart summit. The general spirit of this plan is for each country to make contributions as well as to draw benefits, instead of just obtaining benefits.

The 10 EEC countries have a total population of 270 million people and therefore the EEC is quite a large market. Since the establishment of the EEC in 1958, trade within it has increased by 22-fold. Nearly half of the trade volume of most member states is carried out within the EEC. Mutual economic independence among various member states has become indispensable. Although the reform of the agricultural policy has met with much difficulty and negotiations on it will be arduous, all obstacles have to be eventually removed and ways for certain compromises have to be found.

LI XIANNIAN MEETS RWANDAN COUNCIL DELEGATION

OW241405 Beijing XINHUA in English 1222 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- President Li Xiannian met here this afternoon with the delegation from the Rwandan National Development Council led by its President Maurice Ntahobari.

Li Xiannian extended welcome to the first Rwandan parliamentary delegation to China. He said "During your stay in China, you can see both achievements and problems here. Your suggestions are welcome."

Ntahobari briefed his Chinese host on the economic construction and problems of Rwanda. He expressed his belief that exchange of personnel between the two countries will help them learn from each other.

Li Xiannian replied that both China and Rwanda are developing countries and they should contribute to South-South cooperation.

During their meeting, Ntahobari extended greetings to Li Xiannian from Rwandan President Juvenal Habyarimana. Li Xiannian also asked him to convey Chinese leaders' best regards to the Rwandan president.

WU XUEQIAN MEETS, FETES AZANIAN LEADER

OW241942 Beijing XINHUA in English 1437 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- Wu Xueqian, China's state councillor and foreign minister, this afternoon met with I.N. Pokela, president of the Pan-African Congress of Azania (South Africa), and his delegation.

While accompanying Premier Zhao Ziyang on his visit to African countries in January this year Wu Xueqian met with Pokela in Tanzania. Today he was very happy to meet Pokela again and extended a warm welcome to him.

Pokela briefed Wu Xueqian on the situation in southern Africa and the Azanian people's struggle against the apartheid regime.

Wu Xueqian said that he was concerned about and supported the Azanian people's struggle. He said: "The struggle you are waging is very arduous. As long as the Azanian people persist in the struggle they are bound to win the final victory."

Jiang Guanghua, deputy head of the International Liaison Department of the Chinese Communist Party Central Committee, was present on the occasion.

After the meeting the Azanian guests were honored at a banquet hosted by Wu Xueqian.

BEIJING RECEPTION MARKS PRC-IRAQ RELATIONS

OW241249 Beijing XINHUA in English 1212 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- The Chinese People's Association for Friendship With Foreign Countries gave a film reception here this afternoon to mark the 25th anniversary of the establishment of diplomatic relations between China and Iraq. Riyadh Ahmed al-Hamatani, charge d'affaires ad interim of the Iraqi Embassy here, and other embassy officials attended the reception. Liu Gengyin, vice-president of the host association, and Riyadh expressed their wish for continued advance in the friendship between the two countries and peoples.

A Chinese film was shown at the reception.

ENVOY TO ANTIGUA-BARBUDA PRESENTS CREDENTIALS

OW241950 Beijing XINHUA in English 1850 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- China's first ambassador to the Caribbean nation of Antigua and Barbuda presented his credentials to Governor General Sir Wilfred Jacobs Tuesday.

The ambassador, Wang Tao, and the governor general had a cordial and friendly conversation.

Earlier, the ambassador was received by Prime Minister Vere Bird and Deputy Prime Minister and Foreign Minister Lester Bird.

Antigua and Barbuda gained independence in November 1981 and established diplomatic relations with China in January 1983.

HE KANG, DELEGATION SIGN ACCORD WITH ARGENTINA

For a Buenos Aires domestic report of the visit to Argentina of Minister of Agriculture, Animal Husbandry and Fisheries He Kang, including the signing of an agreement to strengthen bilateral relations, see the Argentina section of the 22 August Latin America DAILY REPORT.



FURTHER COVERAGE OF YOUTH, STUDENT MEETINGS

## Hu, Others Meet Youths

OW240025 Beijing XINHUA Domestic Service in Chinese 1311 GMT 23 Aug 83

[Text] Beijing, 23 Aug (XINHUA) -- Party and state leaders Hu Yaobang, Zhao Ziyang, Li Xiannian, Peng Zhen, Deng Yingchao and other comrades met with the All-China Youth Federation committee members attending the first meeting of the sixth committee of the federation and with the delegates attending the 20th Congress of the All-China Students Federation at the Great Hall of the People on the afternoon of 23 August.

Other leading comrades present at the meeting were: Ulanhu, Wan Li, Xi Zhongxun, Wang Zhen, Fang Yi, Yang Shangkun, Yang Dezhi, Yu Qiuli, Song Renqiong, Zhang Tingfa and Ni Zhifu, members of the Political Bureau of the CPC Central Committee; Gu Mu, Chen Pixian and Hu Qili, members, and Qiao Shi and Hao Jianxiu, alternate members, of the Secretariat of the CPC Central Committee; Wang Ping, Wu Xiuquan, Jing Hua, Xiao Ke and Ji Pengfei, Standing Committee members of the CPC Central Advisory Commission; Wang Heshou, permanent secretary of the CPC Central Discipline Inspection Commission; Xu Deheng, Peng Chong, Ngapoi Ngawang Jigme, Bainqen Erdini Qoigyil Gyaincain, Yan Jici, Hu Yuzhi, Rong Yiren and Han Xianchu, vice chairmen of the NPC Standing Committee; Li Peng, vice premier, and Zhang Jingfu and Wang Bingqian, state councillors, of the State Council; Hong Xuezhai, member of the Central Military Commission; and Kang Keqing, Zhuang Xiquan, Dong Qiwu, Chen Zaidao, Lu Zhengcao, Zhou Peiyuan, Miao Yuntai, Fei Xiaotong, Zhao Puchu, Ye Shengtao and Qu Wu, vice chairmen of the CPPCC National Committee.

At 1500, when the leading comrades arrived at the meeting hall, all those present broke into cheers. The young people clapped warmly to express their gratitude for the attention paid the younger generation by the party and state. The leading comrades cordially shook hands with them and posed for pictures together.

## Ulanhu's Address

OW240854 Beijing XINHUA Domestic Service in Chinese 1220 GMT 23 Aug 83

[Text] Beijing, 23 Aug (XINHUA) -- Carry Forward the Spirit of Patriotism and Contribute Efforts To Make the Motherland Prosperous and Powerful and To Accomplish the Great Cause of Reunification -- speech at the 1st Meeting of the 6th Committee of the All-China Youth Federation and the 20th Congress of the All-China Students Federation.

23 August 1983

Ulanhu

Comrades:

The 1st Meeting of the 6th Committee of the All-China Youth Federation and the 20th Congress of the All-China Students Federation have been in session for several days. The more than 1,200 committee members and delegates attending these meetings are from 56 nationalities throughout the country and include compatriots in Taiwan, Hong Kong, and Macao and Chinese nationals residing abroad. This fully reflects the great unity of youth of all walks of life and all nationalities throughout the country. Holding high the banner of patriotism, your meetings have put forward the glorious tasks for the younger generation, exchanged valuable experiences in making contributions to rejuvenating China, and proceeded very successfully. On behalf of the party Central Committee, I warmly congratulate you and extend cordial regards to youth of all circles and nationalities and university and middle school students throughout the country.

More than 4 years have elapsed from the 1st Meeting of the 5th Committee to the 1st Meeting of the 6th Committee of the All-China Youth Federation and from the 19th Congress to the 20th Congress of the All-China Students Federation. In that time, under the guidance of the spirit of the 3d Plenary Session of the 11th CPC Central Committee, our country has accomplished a great historical change and embarked on a path of sound development. The youth federation and students federation have also done a great deal of useful work in bringing about the historical change. Inspired by the Slogans "Unite, be patriotic, and follow the party," "Start from me, now," and so forth, young people and university and middle school students of all nationalities throughout the country have made the four modernizations their goals and rejuvenating China their own duty. They have diligently studied at their posts, worked hard, made their share of contributions, and achieved very great progress. Practice has proved that China's youth has the courage to shoulder heavy historical responsibilities and advance in the face of difficulties, a generation the party and people can fully trust.

The 12th party congress set the goal of quadrupling our total industrial and agricultural output value by the end of the century and building China into a culturally advanced, highly democratic, modern socialist country. This glorious and arduous task will be successfully accomplished through the continuous cooperation between the old and the young and the succession of the young to the old. History has destined your generation to shoulder greater responsibilities. In order to live up to the expectation and great trust of the party and people and to successfully accomplish the glorious mission entrusted to you by history, you must vigorously carry forward the spirit of patriotism. I would like to say something about this today.

Patriotism is the Chinese people's glorious tradition and noble virtue, and the Chinese nation's precious spiritual wealth. It has a tremendous centripetal and cohesive force. Particularly in modern times, against imperialist aggression and feudal oppression and for national survival and development and state independence and unity, the Chinese people advanced wave upon wave and waged indomitable, moving, and heroic struggles. The patriotic cause of the Chinese people will go down in history. The Chinese youth inherited and carried forward this patriotic tradition. Especially after the "May 4th" Movement, Marxism-Leninism was introduced to China, the Chinese Communist Party was born, and since then the patriotic spirit of the Chinese youth has taken in fresh communist blood, reached a higher state, and acquired a richer content. The "December 9th" Movement, the national salvation movement of young students during the War of Resistance Against Japan and the democratic movement of young students during the Liberation War were all great mass movements with patriotism as political content led by the Chinese Communist Party. After the founding of New China, to love and build the socialist motherland became the common practice of the young people of all our nationalities. In the struggle to build and defend the socialist motherland, and in the new period of socialist modernization, heroes and models such as Huang Jiguang, Lei Feng, Zhang Hua, and Zhang Haidi and tens of thousands of pacesetters in the New Long March have come forward one after another. All this is the glory of the Chinese youth. Every young person should treasure this glorious tradition and, with the development of the times, constantly give it new content and add new luster to it.

Patriotism is a historical category. It has different contents in different historical periods. In today's historical development, what is the content of patriotism for the people of all our nationalities? It is to carry out the three main tasks put forward by Comrade Deng Xiaoping on behalf of the party Central Committee: "To intensify socialist modernization, to strive for reunification and particularly for the return of Taiwan to the motherland, and to combat hegemonism and safeguard world peace." These are the great and arduous tasks faced by the people of the whole country, and the loftiest mission of all our youth. The patriotism of today's youth finds concentrated expression in dedicating their youthfulness to accomplishing this historical mission.

How should one carry forward and promote the glorious tradition of patriotism and become a genuine patriot? The following are four hopes I have of the young people: I hope that you have patriotic feeling, determination to serve the country, ability to build up the country, and actual deeds in the country's service.

Patriotic feeling means the passionate concern for the honor and prosperity of the motherland and readiness at all times to give one's life for her. This is the foundation of patriotism. Our great motherland has a vast territory, majestic rivers and mountains, a long history, and brilliant culture. The Chinese nation has made tremendous contributions to mankind. The Chinese people are known to the world for their diligence and courage and their ardent love of freedom. For the development of the Chinese nation, our ancestors labored and multiplied generation after generation on this land. For the development of the Chinese nation, countless people with lofty ideals, heroes, and martyrs laid down their lives. For the development of the Chinese nation, revolutionaries of the older generation waged a hard struggle for decades, and many comrades have to this day kept their lofty aspirations alive and continued to struggle. Under the wise leadership of the Chinese Communist Party and through the common efforts of the people of the whole country, our great motherland has experienced earth-shaking changes and stands towering with a completely new posture in the East. Today, the party is again leading the people of the whole country in the new march to build a socialist material and spiritual civilization. Our motherland has a bright future. We are confident of the sure victory of our cause. Naturally, we have made mistakes. However, the confused situation caused by the decade of our country's turmoil has been corrected and problems in various fields are being solved one by one in an orderly way. Shouldn't we be proud and cheer for the spirit of the Chinese nation as demonstrated by its courage to overcome difficulties and create a new situation? We admit that our country is still rather backward in some areas. But what attitude should we adopt in dealing with our backwardness? The correct attitude is not to be pessimistic or to sigh in despair, but to make a determined effort to make our country strong and change the motherland's backward outlook. Only in this way can we be worthy descendants of Shen Nong [2838 B.C.] and the Yellow Emperor [2698 B.C.] and worthy children of the motherland. Since the founding of New China, many Chinese patriots and people of lofty ideals residing abroad have resolutely abandoned the comfortable life in foreign countries and made the long trip back to the motherland to take part in her construction. Representatives of these people have served on every past committee of the youth federation. Even the Chinese compatriots now residing abroad, despite the fact that they are in foreign countries, have not forgotten that they are Chinese, are always concerned about the motherland's future, and actively support the four modernizations drive. I hope you young comrades will strive to cultivate this lofty patriotic feeling, constantly strengthen your national self-respect and sense of pride, and be a new generation of patriots.

A determination to serve the country means the lofty aspirations and great ideals to invigorate the Chinese nation. When they were young, Mao Zedong, Zhou Enlai, and other comrades were concerned about the state of affairs in the world and expressed their determination to "make China a great nation in the world." Many revolutionary martyrs were also filled with lofty ideals when they were very young. Later, they performed immortal feats for the motherland and the people. Comrade Hu Yaobang earnestly said: It is hoped that you young people will do better than the older generation. All the old comrades have this kind of aspiration and feeling. This fully reflects the confidence and hope placed on the younger generation by the party and the people. Youth is the time to forge your determination. You must foster ambitious goals and lofty ideals and strengthen your determination to develop the four modernizations program, work in any place, and invigorate the Chinese nation. It is necessary to forge one's determination according to the needs of the motherland in construction and let the motherland make its own choice.



We must not ignore society's needs and "think about our own interests only." In forging our determination, it is necessary to base ourselves on lofty ideals and orient ourselves toward the magnificent goal of communism. Under no circumstances should we take personal fame and gain into consideration and seek comfort for one's own family. In forging one's determination it is essential to build a strong sense of responsibility for the era, set one's mind on the revolutionary cause, readily bear hardships and stand hard work, and forge ahead at all times. Once our lofty goals are set, we must unwaveringly fight to achieve these goals and keep on fighting until our aims are fulfilled.

Ability to build up the country is one's ability to build and safeguard the motherland. In developing the four modernizations program, enthusiasm and aspiration alone are not enough; we need real ability and knowledge. We are now in a stage of rapid scientific development. Our scientific and cultural knowledge will directly determine the success or failure of our four modernizations program. The scientific and cultural standards of the young generation directly affect the scientific and cultural level of the entire Chinese nation. Therefore, young students or young people in all fields must bring into full play the spirit of working harder than ever before and be determined to scale the pinnacle of science and culture. The ability we mentioned does not necessarily mean our scientific and cultural knowledge only. It also includes the various actual abilities needed by the society. There are highly competent people in every trade and profession. There is always something to learn well in every trade and profession. At the same time, you must become both socialist minded and professionally proficient, and make sure that studying is aimed at serving the motherland and the people and at developing the four modernization program, but not at seeking personal fame or gain or higher position. No one should regard his knowledge as private property; still less should one regard one's knowledge as his bargaining power. We must selflessly offer the knowledge that we have attained to the motherland and the people. In addition to learning from books, you must also enthusiastically learn in the course of practice. Our great practice in the development of the four modernizations program is like a big classroom and a comprehensive encyclopedia. In this big classroom you can not only make full use of the knowledge that you have gained from books, but also enhance your ability by experience. By learning from books as well as experience, you will definitely be able to increase your ability every day and bring your ability into full play.

To perform actual deeds in serving the country means to turn one's passionate patriotic fervor and lofty aspiration to serve the nation into actual deeds. Comrade Deng Xiaoping pointed out: If we adopt no practical and effective measures and carry out no work to make our bright future a reality, there is a danger that to make our bright future come true will become empty talk. In order to realize the four modernizations in the not-too-distant future, we need to vigorously promote the practice of gradually turning our lofty ideals into realistic and down-to-earth revolutionary style of work. In order to carry forward and give full play to the spirit of patriotism and become genuine patriots, you must perform actual patriotic deeds in a down-to-earth manner, work conscientiously, and earnestly practice what you advocate.

You comrades may remember that in the fifties and sixties millions of young people with lofty ideals left the cities for the countryside and departed from China's inland areas for the frontier and the wilderness in warm response to the call of the party to develop, build, and safeguard the border region. They selflessly offered their own valuable time and even gave their own lives. Now these comrades are no longer young, but their spirit of building the country through arduous efforts, of striking deep roots in the border region, and of working hard shoulder to shoulder with the people of all nationalities in the remote border region still merits our learning.

Patriotism is definitely not an abstract concept or a vague slogan. The concrete practice in developing patriotism today is to dedicate ourselves, suggest methods, and do our best to fulfill our duties for the development of the four modernizations program, and to work hard, open up the wasteland, and forge ahead. To develop the two civilizations and build socialism with Chinese characteristics is a great project. The work of all trades and professions and in all quarters is a component part of this project. This project's completion depends on the efforts of every person and the outstanding achievements made by every person at his post. Every young person must regard his own specific post as his own front to serve the country, and take his own work which he carries out in a down-to-earth manner as his patriotic action. There are 250 million young people in China. This is a terrific construction force. Therefore, I hope that young people in all fields will assiduously study at their own posts, carry out their work in a down-to-earth manner, and contribute to the building of the mansion of the four modernizations with their own actual deeds and outstanding achievements.

The All-China Youth Federation and the All-China Students Federation are mass organizations of young people under the leadership of the party. The All-China Youth Federation is also a united front organization of patriotic young people. For several decades the All-China Youth Federation and the All-China Students Federation have made protracted, unremitting efforts and positive contributions for the independence and freedom of the Chinese nation and the prosperity of the motherland. During the new historical period, the party and the people have imposed new and even higher demands on you, and the task entrusted to you by history is even more glorious and arduous. I hope you will conscientiously sum up your experience, bring into full play your initiative and creativity, further strengthen your ties with the young compatriots in Hong Kong, Macao, and Taiwan and the great unity among the young people of all nationalities and in all fields of endeavor. I hope that you will vigorously and penetratingly carry out education on patriotism among young people, help them to hoist the banner of patriotism even higher, closely rally around the party, and play an even more significant role in promoting the great cause of invigorating the Chinese nation. Taiwan is an inseparable part of China's sacred territory. The return of Taiwan to the motherland and the fulfillment of the great cause for the reunification of the country represent the aspirations of the people and the general trend. This is one of the three tasks that the people in China should fulfill within the country. The All-China Youth Federation and the All-China Students Federation must actively and creatively carry out their work in promoting the great cause of reunifying the motherland.

Comrades, the people in our country are forging ahead triumphantly toward the four modernizations. The party and state need you more than ever to work with a will to make the country strong, courageously open up the wasteland, and wage arduous struggles. From now to the end of this century and the beginning of the next century is when you young people must give full play to your abilities, make contributions, and promote the great cause of invigorating the Chinese nation. I hope you will add a new chapter in the history of the youth movement and in the annals of the Chinese people's patriotic movement. Young comrades, work hard and exert yourselves! The four modernizations will definitely be realized in your hands, and China's future belongs to you!

#### 22 Aug Meetings

OW241351 Beijing XINHUA Domestic Service in Chinese 1224 GMT 22 Aug 83

[Text] Beijing, 22 Aug (XINHUA) -- The 1st Session of the 6th Committee of the All-China Youth Federation and the 20th Congress of the All-China Students Federation help plenary meetings on 22 August.

Li Ding, deputy director of the United Front Work Department of the CPC Central Committee, delivered a report on united front work at the youth federation meeting. Education Minister He Dongchang delivered a report on education work at the students federation meeting.

#### Student Federation Elections

OW250201 Beijing XINHUA Domestic Service in Chinese 1512 GMT 23 Aug 83

[Text] Beijing, 23 Aug (XINHUA) -- The 20th Committee of the All-China Students Federation this morning elected Li Keqiang [2621 0344 1730] secretary general and Xiao Dongsheng [5135 2639 0581], Tian Shulan [3944 3219 5695], Yuan Chunqing [5913 4783 3237], Qiu Jin [6726 6651], Xue Yong [5641 0516], Wang Weiwei [3769 0251 5898], Qiao Baoping [0829 0202 1627], San Xiangyu [0270 5046 1342], Dai Kewei [2071 0344 4580] and Chi Weidong [6688 5898 2639] deputy secretaries general.

#### Meetings Close 24 Aug

OW241425 Beijing XINHUA in English 1158 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- The First Session of the Sixth Committee of the All-China Youth Federation closed here this afternoon with a call for closer ties with youth in Taiwan and Hong Kong. The 20th Congress of the All-China Students' Federation also closed here today.

In his closing speech at the youth federation session, President Hu Jintao called on the federations's 500 members to play a stronger role in building and reunifying the country. The session earlier approved the work report of the previous committee, adopted a new Constitution and elected a new leadership.

Wang Zhaoguo, first secretary of the Communist Youth League Central Committee, said at the closing ceremony that the youth federation "has much to accomplish" in national construction and reunification.

The federation's members include representatives of young people in Taiwan, Hong Kong, Macao and Overseas Chinese communities. Wang Zhaoguo said they should be encouraged to help promote Taiwan's return to the motherland.

"I believe there is a common language for all descendants of the Chinese nation," he said.

The secretary urged Taiwan youth organizations to send delegations and visitors to the mainland, and said he hoped the youth federation would strengthen its ties with young people in Hong Kong.

Embracing young people of different religious and political beliefs, he said, the youth federation should cooperate with communist youth organizations in various countries and develop friendly relations with religious foreign youth organizations.

Wang said he hoped the youth federation officials would work hard at their posts and set themselves as examples for young people. In 1981, China had more than 60 million workers below the age of 35, accounting for 60 percent of the country's total workforce.

The youth federation should also encourage more young people to join in the development of Tibet, Xinjiang and Qinghai, where living conditions are still difficult, Wang said.

At this morning's closing session of the All-China Students' Federation Congress, a collective member of the youth federation, newly-elected chairman, Liu Nengyuan, urged local students' federations and unions to conduct their work in a more lively way to rally China's 50 million college and secondary school students.

#### CPC Leaders Meet Youths

OW241944 Beijing XINHUA in English 1538 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- Songs, laughing, chatting and applause filled Beijing's Great Hall of the People this evening, as youth federation members and student congress delegates had a get-together with young people in the capital. Communist Party leaders Deng Yingchao, Xi Zhongxun, Song Renqiong and Hao Jianxiu together with 2,000 young people enjoyed songs, dances, Beijing Opera arias and comic dialogues performed by young artists.

Deng Yingchao also spent a short time this evening with federation members and student delegates from Tianjin, saying that they reminded her of the days when as a young student she led the student movement in that north China city. She told the young people to cherish the revolutionary tradition of Chinese youth and contribute more to national construction.

Before the performances the young people shared views on future work among youth and students. Many asked for autographs of Li Dawei, a former Kuomintang pilot who flew his plane to the mainland not long ago, the mathematician Yang Le and some other famous youth federation members.

Also present at the get-together were veteran youth workers and former leaders of the youth and students' federations. The two federations ended their meetings earlier today.

#### YANG SHANGKUN, BO YIBO ATTEND TOURIST TRADE FAIR

OW241039 Beijing Domestic Service in Mandarin 1000 GMT 21 Aug 83

[Text] A trade fair of tourist products, sponsored by the Beijing Municipal Arts and Crafts Corporation and held at the Beijing Nationality Cultural Palace since 24 July, ended on 21 August.

During the fair, party and state leaders Yang Shangkun, Bo Yibo, Wang Shoudao, Bainqen Erdini Qoigyai Gyaincain, Liao Hansheng, Han Xianchu, Li Peng, Zhang Aiping, Zheng Tianxiang, Kang Keqing, Chen Zaidao, and Zhao Puchu viewed the products on different occasions.

Bo Yibo said: It is necessary to combine the domestic market of handicraft articles with the international market and industry with foreign trade. It is also necessary to determine the needs of the international and domestic market, publicize the advantages of combining industry with foreign trade, and make suggestions for solving existing problems so as to benefit the country and promote exports.

Li Peng said: Along with the improvement of the people's cultural and material life, there are great potentials for marketing handicraft products in our country. We must not be conventional, but must constantly design and produce new products in order to beautify the people's livelihood with better and more reasonably priced goods.

The trade fair received favorable response from departments, concerned and various circles at home and abroad. More than 100,000 people, including some 500 foreigners, visited the fair and purchased the products during the 30-day period. Some 20 provinces, municipalities, and autonomous regions sent agents to conduct business at the fair with a total transaction of 11 million yuan in signed contracts and 160,000 yuan in retail sales.



EDITORIAL STRESSES ROLE OF SOCIAL DEMAND

HK250527 Beijing RENMIN RIBAO in Chinese 22 Aug 83 p 1

[Editorial: "Organize Production According to Social Demands -- Fifth Discourse on the Only Way To Raise Economic Results"]

[Text] Some enterprises are geared to the needs of the market, know what society demands and manufacture marketable products. Therefore, they have been able to promptly free themselves from "difficult financial positions," and their business is now booming. The fact that Hefeng weaving mill in Shanghai invited consumers to "choose dishes from a menu" in order to enliven business has shown that as long as we organize production according to social demands, the entire business will be enlivened. This will be beneficial to enhancing economic results of enterprises.

"You should sell what I produce," "you should buy what I sell" and "some products are kept in stock, whereas others are out of stock" are weak points in our economic work. In recent years, due to the fact that we have stressed that we should go about things in accordance with economic law, and that we should follow the guidelines of relying mainly on planned economy while making regulation by the market subsidiary, the situation of organizing production in defiance of social demands has been changed to some extent. However, there are still many industrial enterprises which pursue production tasks assigned by higher administrative departments. While working out plans, some leading departments and areas do not, first of all, take social demands into consideration. What is uppermost in their minds is the increase of production output and the targets of total output value. They only assign variety and specifications of products a secondary position. In addition, responsible departments fail to make sufficient investigation of social demands. Therefore, it is difficult for them to formulate production plans which conform to social demands. When the plans are transmitted to enterprises at lower levels, the enterprises concerned should implement them. Although the supply of some products has exceeded demand, they will continue to manufacture them if the responsible departments do not readjust the plans. This is one of the main reasons why we manufacture unmarketable products. Another reason for such a state of affairs is that cadres of some enterprises are only responsible to the departments at higher levels without taking customers' demands into consideration. Furthermore, they place undue emphasis on output value and profits at the expense of quality and design as well as color. They are reluctant to arrange production of goods with low output value and small profits, although people badly need the goods. They excessively manufacture products with high output value and profits in defiance of social demands. Some factories are accustomed to "comfortable life," and are reluctant to discard the air of "bureaucratic factories." They have stuck to the old practice for several decades. They are only willing to manufacture old products, but are reluctant to offer new varieties. They are only willing to manufacture products in large quantities, and are reluctant to manufacture in small batches and products with different varieties. As a result, judging from the statistical figures alone, we might say that an enterprise has rapidly increased its production output. However, very often the supply of some products which the market badly needs falls short of demand, whereas the output of unsalable goods continues to increase. Although some products are sold at a reduced price, people do not want to buy them. As a result, they are kept in stock for a long time.

Marx made a pointed remark: "If the commodity has been produced in excess of the social needs, then so much of the social labor-time is squandered and the mass of the commodity comes to represent a much smaller quantity of social labor in the market than is actually incorporated in it." ("Das Kapital," Vol 3, p 209) This means that it is only under the condition that production accords with social demand that labor consumption will be recognized by the society and real value be created in the process of production.

If the quantity of a commodity excessively exceeds market demand, or the commodity is unmarketable, this will cause a great waste of manpower, material, and financial resources. Therefore, to enhance economic results, industrial departments and enterprises should firmly grasp the important link that production should be organized according to social demands.

The prerequisite for industrial departments to organize production according to social demands is that they should truly comprehend social demands for the immediate and distant future, and that they should organize production in a planned way. Over a long period of time our responsible industrial departments and enterprises have suffered a lot because of the lack of investigation of social demands. Because they lack reliable economic information, they have no "ideas" of the trends of economic and technical development and market changes. As a result, they make mistakes while working out policy decisions for production. Therefore, they should expeditiously, keenly, and accurately master market information. This work cannot be completed by relying only on the efforts of several enterprises, a certain department, or a certain area. Comprehensive economic departments at various levels, various responsible economic departments, and various enterprises should take active measures to carry out the work of market forecasting and to establish an economic information network. Through this network, they will be able to expeditiously and accurately transmit information concerning social demands and market changes to various responsible economic departments and enterprises. Only thus can enterprises adapt themselves to market demands and enhance their ability to deal with the changing situation.

To solve the problems of enterprises producing goods which are not needed by the market and of supply that is not suited to demand, the responsible departments concerned should change the situation of exercising excessive and rigid control over enterprises so that they will have more decisionmaking power in business under the prerequisite of working under the guidance of the state plan and observing financial discipline. Only in so doing can we urge leaders of enterprises to constantly study customers' taste, market demands, sales volume of certain products, replacement of certain kinds of products by others, trends of technical development and so forth. Thus leaders of enterprises will be able to work out plans to expeditiously arrange and readjust production in light of the conditions mentioned above. Social demands are changing very fast. Industrial enterprises should be able to promptly change their business methods. Enterprises which can only carry out production should be turned into ones which are good at both production and business.

To truly organize production according to social demands, the present key problem we should solve is that we should reduce the quantity of products in excessive supply and that we should increase the output of products in short supply. We should firmly readjust economic structures and take resolute measures to close down, suspend, or amalgamate certain enterprises, or let them switch production. Capitalist society has mainly relied on the role of the law of value to achieve the objects mentioned above. Things are different in our country because the law of value cannot play its fullest role yet. Therefore, we should adopt administrative and economic methods to consciously readjust economic structures. In other words, we should implement the policy of shutting down, suspension, amalgamation or switching in a planned way with regard to some enterprises. In particular, under the present conditions that energy and raw materials are in short supply, our efforts to increase more rapidly the output of products needed by the society will be beneficial to enhancing economic results. Of course, readjustments might affect the economic interests of certain enterprises and people. It is unavoidable to sacrifice immediate interests for the sake of overall interests. We should study the policy, steps, and methods in order to do well in following the principle of shutting down, suspension, amalgamation or switching.

The work should be carried out stage by stage and area by area. However, we should not waver in our determination. Otherwise, organizing production according to social demands is only empty talk, and we will not be able to truly enhance the economic results of the entire society.

EDITORIAL STRESSES IDEOLOGICAL, POLITICAL WORK

HK250741 Beijing JINGJI RIBAO in Chinese 19 Aug 83 p 1

[Editorial: "Shift the Focus of Ideological and Political Work Onto Young Workers -- On Strengthening and Improving Ideological and Political Work Among the Staff and Workers in Enterprises -- Part 4"]

[Text] The "Trial Program for Ideological and Political Work Among the Staff and Workers in State-run Enterprises" recently transmitted by the CPC Central Committee points out: It is necessary to shift the focus of ideological and political work onto young workers. This is an important issue and urgent task for conducting well ideological and political work among the staff and workers in enterprises under the new situation.

The working class in China is now at an important historical period, with new workers succeeding old ones. Young staff and workers under the age of 35 constitute approximately two-thirds of the total number of staff and workers in the whole country, and around 80 percent in a number of trades. The majority of them are working in the frontline of production and many of them have become backbones and main forces at various fronts. They now shoulder the task of building the modernization program. This major change in the structure of the staff and workers' ranks is the principal bases for shifting the focus of ideological and political work among the staff and workers onto the young people. We must also be aware that there is a great difference between the younger and the elder generations. The young people have a relatively high educational level, are active in mind, dare to be creative, and have the courage to accept new emerging things. However, they also have shortcomings and defects. They did not personally experience the hard life in the old society and the 10 years of internal turmoil has left a deep scar on them. As a result, a number of them lack a firm faith in the communist cause and do not have a fine attitude toward labor and moral cultivation; thus they fail to resist the corrosive influence of all sorts of capitalist and feudal ideas. These problems existing among young staff and workers further show the urgency of shifting the focus of ideological and political work onto young staff and workers. It is thus imperative to give this work top priority and to change the situation where no one pays attention to ideological and political work among young staff and workers.

The prerequisite for conducting well ideological and political work among young staff and workers is to understand and appraise the young people. Nurtured by our party, the younger generation has grown up, and they are a new generation of the working class that has bright prospects. Although they were affected during the decade-long internal disorder, they were also tempered; although they still have shortcomings and defects, they are good in essence and in important respects. This basic estimation should become the fundamental starting point for our party to carry out all kinds of work among the working class. We must have faith in young people, understand them, and discard all prejudices against them. It is necessary to understand their psychology, thinking, and feelings, and share their joys and sorrows. Only in this way can we effectively conduct ideological and political work among them.

In light of these characteristics of the younger generation, we must, on the basis of summing up past experience and carrying forward the fine tradition, continue to explore and blaze new trails in the subject and method of our ideological and political work.



At present, it is necessary to further release young staff and workers from production to take part in rotational study classes. Proceeding from patriotic education, we must conduct systematic ideological education on collectivism, socialism, and communism, so as to fundamentally heighten their political awareness. Only in this way can we achieve the anticipated results and bring up, in a faster and better manner, a new generation that has ideals, morality, and culture, and that can observe discipline.

POPULARIZING COLLECTIVE CONTRACT SYSTEM VIEWED

HK250808 Beijing GONGREN RIBAO in Chinese 20 Aug 83 p 1

[Commentator's article: "Collective Contract System Deserves To Be Promoted"]

[Text] One of the important problems which must be solved by factories and enterprises in the current reform of the economic system is to look for an effective form and method which can link together in practice responsibilities, rights, and interests, thus fully arousing the sense of responsibility and enthusiasm of the broad masses of workers and staff members. A number of enterprises have instituted the collective contract system and have gained relatively successful experiences in this respect. This system deserves to be popularized in more factories and enterprises.

The collective contract system plays its role in various aspects and has many advantages. It can arrange the production and livelihood of an enterprise in an overall manner and can closely link the development of production with the improvement of the livelihood of the workers and staff members through correctly handling the relations between the interests of the state, enterprises, and individual workers or staff members. Through signing and implementing collective contracts, the workers and staff members can also be absorbed to participate in concrete managerial work of an enterprise. When the workers and staff members' congress discusses, examines, and approves a collective contract, it actually participates, on behalf of the broad masses of workers and staff members, in making policy decisions on major problems of an enterprise. The workers and staff members congress also has the right to inspect how contracts have been implemented. This is the most practical way to supervise and speed up the work of an enterprise.

Collective contracts can also play an important role in mobilizing the broad masses of workers and staff members. Through signing collective contracts, the workers and staff members can clearly see the annual objective of the struggle of an enterprise, understand their definite duties, and be aware of what concrete benefits they can enjoy after production is developed and plans are fulfilled. Consequently, the broad masses of workers and staff members will link their work with the struggle objective of the entire enterprise and will consciously work hard to fulfill or overfulfill the state plan.

The implementation of the collective contract system will objectively set higher demands on administrative management and the work of the trade union of the enterprise, thus promoting and improving managerial and mass work. Administrative departments and the trade union have their respective obligations and responsibilities in carrying out collective contracts. In order to fulfill these obligations and responsibilities, they have to go deep among the masses and deep into the reality of production and to discover and solve problems in good time. This is particularly important to the work of the trade union. If the trade union still sticks to the work style of making general appeals or that usually are used by administrative organs, it obviously cannot attain its goal. Only by doing more solid work can the trade union mobilize and organize the masses to do a good job in production.



Trade unions at all levels must take an enthusiastic attitude in popularizing the collective contract system. In enterprises where conditions are ripe for signing collective contracts, the trade union must do more publicity work so that the administrative departments will practice this system earlier. Various localities must seriously sum up and exchange their experiences so that the collective contract system can be constantly improved and perfected. If it can do a good job in this respect, the trade union will then be able to better safeguard the reasonable rights and interests of the workers and staff members and the work of the trade union itself will become much more animated.

#### ARTICLE STRESSES SEEKING TRUTH FROM FACTS

HK220815 Beijing RENMIN RIBAO in Chinese 17 Aug 83 p 5

[Article by Xing Benshi: "Seeking Truth From Facts -- The Core of the Marxist Ideological Line"]

[Text] Raising the practice of seeking truth from facts to a high level of Marxist ideological line and taking it as the core of the Marxist ideological line is a fundamental line running through the "Selected Works of Deng Xiaoping." This is also its contribution to the Marxist theory of knowledge, Marxist theory of party building, and the scientific socialist theories.

The revolutionary practice of our party over the past 60 years or so has repeatedly proved that whenever we follow the Marxist ideological line with the practice of seeking truth from facts as its core, our cause develops smoothly. Whenever we discard and deviate from this ideological line, our cause suffers setbacks or even failures. Such an ideological line is formed in the long-term revolutionary practice and is one of the party's fine traditions and the quintessence of Mao Zedong Thought. In the last 30 years, we followed a tortuous course in dealing with such an ideological line. During the first half of the 1950's, on the basis of winning the victory of the democratic revolution, we proceeded from the actual conditions to work out a series of practical guidelines and policies to promote the development of practice. We enriched the Marxist theories with our new experiences. However, just when we had achieved initial results in socialist revolution and were shifting our work focus to the socialist construction, our party, and Comrade Mao Zedong in particular, were no longer prudent and violated the spirit of seeking truth from facts. A number of men of insight, both inside and outside the party profoundly felt that if we failed to completely correct these mistakes and thoroughly change the party line, including its ideological line, there would be a danger of ruining our cause. Comrade Deng Xiaoping was the first person to fight against the above-mentioned mistakes. Relevant articles contained in the "Selected Works of Deng Xiaoping," and a number of brilliant expositions on the practice of seeking truth from facts in particular, are the great results of that struggle.

In 1975, Comrade Deng Xiaoping came back to work again after suffering from a long-term attack. That was the time when the "gang of four" was extremely cruel and despotic, acted perversely and ran wild. Facing such a situation, Comrade Deng Xiaoping upheld the party principle and adhered to the spirit of seeking truth from facts to put forth guidelines for overall readjustments. At that time, such readjustments meant bringing order out of chaos and were the only correct guideline for freeing China from its predicament so that it would embark again on the path of healthy development. Due to the implementation of such guidelines, there was a turn for the better in various work and people saw the hope of a bright future in times of difficulty.

During that period, Comrade Deng Xiaoping also expounded the way to treat Mao Zedong Thought in light of the fact that the ideological line within the party was incorrect. In those years when modern superstition was running wild, Comrade Deng Xiaoping needed great political and theoretical courage to raise such an issue and express such views.

In his article "Various Quarters Need Readjustments," Comrade Deng Xiaoping seriously pointed out that there was some abominable behaviour inside the party which cut Mao Zedong Thought apart in order to cater to the needs of various quarters. Lin Biao was a typical example, but he was not the only person who was guilty of such abominable behavior. Comrade Deng Xiaoping said: "At present, the problem of analyzing Mao Zedong Thought has not yet been actually solved." After citing numerous facts, he stressed: "I am afraid that the problem of how to systematically study, propagate, and implement Mao Zedong Thought has existed in various circles. Mao Zedong Thought is closely connected with practices in various circles and is inseparably linked with the guidelines, policies, and methods of various fields. We must systematically study, propagate, and implement it. We should not think that when there is wind, there must be rain." There was no doubt that such remarks were a challenge to the modern superstition which prevailed at that time. This also showed that Comrade Deng Xiaoping upheld the principle of seeking truth from facts in treating Mao Zedong Thought just as he did with regard to other problems. Although Comrade Deng Xiaoping's efforts were not successful under the conditions of that period, his revolutionary courage to bring order out of chaos, his spirit of seeking truth from facts, and his scientific theories on treating Marxism-Leninism-Mao Zedong Thought had profound influence over the broad mass of people and cadres.

After the smashing of the "gang of four," our party and people were facing a tremendous task of affecting historically great changes. During that period, whether the CDC dared to look reality in the face, whether it dared to admit that it had committed mistakes, and whether it dared to completely change its political and ideological line were new, severe tests for our party. If we did not have the courage to draw lessons from past mistakes and to return to the Marxist ideological line with the practice of seeking truth from facts as its core, our party was not worthy of the title of a serious Marxist party. If we did not dare to admit that our party had committed mistakes, logically it meant that what we did in the past was completely right. In other words, we should continue to follow the same routine and stick to the old practice, and "go about things in accordance with the established principles forever." Some of our comrades and party leaders proceeded from historical idealism rather than from historical materialism. They shifted all the errors to the "gang of four." They thought that the party's line, leadership, and leaders were completely right and that as long as the "gang of four" was overthrown, all would be right with the world and the old practice should remain unchanged. In so doing, they regarded historical development as a fortuity and attributed everything to the "gang of four." This not only violated historical truth, but also regarded all the past mistakes as a kind of historical legacy which should be inherited and carried forward without reserve. Thus our motherland, which had already suffered setbacks, would continue to sink into the mire, and the vitality and creativity of our nation would continue to be stifled. This was not an accidental ideological mistake, but a kind of ideological line -- an out and out idealist ideological line. This was a continuation of the previous erroneous ideological line and the essence of the theory of the "two whatevers." Therefore, whether we echoed the theory of the "two whatevers," or whether we waged a tit-for-tat struggle against it was a matter which determined whether we could truly retain the achievements we made in smashing the "gang of four," truly correct past mistakes, and effect historically great changes. This was also a matter which had a direct bearing on the destiny of our state, nation, and people. At that critical juncture, it was Comrade Deng Xiaoping who was the first to rise to criticize the theory of the "two whatevers." He pointed out that the theory of the "two whatevers" did not conform to Marxism.

At that time, Comrade Deng Xiaoping had not yet completely extricated himself from his predicament. However, being heedless of his personal safety, he was bold enough to criticize the theory of the "two whatevers" advocated by Comrade Hua Guofeng, who was in charge of the work of the CPC Central Committee. This demonstrated that he showed the spirit of being highly responsible for the cause of our party, the future of our state, and the destiny of our people. While criticizing the theory of the "two whatevers," Comrade Deng Xiaoping stated in a positive way, the scientific attitude toward Marxism-Leninism-Mao Zedong Thought. He stressed that we should comprehensively and accurately understand Marxism-Leninism-Mao Zedong Thought. It seemed that the inference that we should comprehensively and accurately understand Marxism-Leninism-Mao Zedong Thought should have been self-evident. However, under the historical conditions of that period, such an inference struck home. It was directed against those who failed to regard Marxism-Leninism-Mao Zedong Thought as a scientific system and chopped up it indiscriminately to take what they wanted from it. It was also directed against the remaining trace of the modern superstition which took the quotations of Mao Zedong as a bible. All this was directed against the theory of the "two whatevers." How accurately the inference hit the mark! Poisoned by Lin Biao and the "gang of four," the ability of a number of comrades in our party to distinguish true Marxism from sham became terribly weak. Some people even forget the "A-B-C's" of Marxism. While politically and economically bringing order out of chaos, our party also urgently needed to bring order out of chaos ideologically and theoretically. It was absolutely necessary for our party to change its attitude toward Marxism-Leninism-Mao Zedong Thought! Under the conditions at that time, the above-mentioned inference of Comrade Deng Xiaoping enlightened people, and played an important role in the movement of the emancipation of minds.

The discussion on "practice is the sole criterion of truth," which started in May 1978, raised the curtain of the surging movement of the emancipation of minds. "Practice is the sole criterion for testing the truth" is a well-known philosophical thesis of Marxism. Why did such a thesis attract so many people and why was it extensively discussed in various fields and on all fronts? It was difficult for us to understand the question without taking into account the historical background mentioned above. This reflected that people throughout the country eagerly hoped to cast off previous mistakes, do away with the old and set up the new and vigorously develop their motherland. This also reflected that people throughout the country had a strong desire to free themselves from the ideological confinement of the sham Marxism imposed on them by Lin Biao and the "gang of four," to restore the vitality of the state and carry out reforms. The thesis "practice is the sole criterion of truth" conformed to such an objective need. Therefore, people discovered and comprehended again the value of this common philosophical thesis. However, some people abused their power to try to pin the label of "opposing Mao Zedong Thought" on comrades who advocated the discussion of "practice is the sole criterion of truth." Under such circumstances, Comrade Deng Xiaoping delivered an important speech at the political work meeting of the whole army held on 2 June 1978. At the critical juncture when the two sharply contrasting ideological lines of the "two whatevers" and "practice is the sole criterion of truth" engaged in conflict, he strongly supported the latter. He further elaborated the content of the Marxist ideological line. In his speech, Comrade Deng Xiaoping mainly talked about the problem of seeking truth from facts. He said: "When we attend meetings, deliver speeches, pass resolutions, or do other work, our purpose in doing so is to solve problems. The key to solving these problems and solving them correctly lies in whether we can integrate theories with practice, and whether we are good at summing up experiences, adopting an attitude of seeking truth from facts, and proceeding from realities in order to deal with objective reality. Only in so doing, can we correctly, or relatively correctly, solve these problems."



"Whether we have solved these problems correctly or relatively correctly should be tested by future practice. If we fail to do so, it will not be possible for us to solve problems, or solve them correctly." Comrade Deng Xiaoping further discussed the way to treat Marxism-Leninism-Mao Zedong Thought. Actually, he criticized the viewpoint of the "two whatevers." He said: "Many comrades in our party persist in studying Marxism-Leninism-Mao Zedong Thought and stick to the principle of integrating the universal truth of Marxism-Leninism with revolutionary practice. It is very good for them to do so. We should continue to do so in future. However, although some of our comrades talk about Mao Zedong Thought every day, very often they forget, discard, or even oppose the basic Marxist viewpoint and methods of seeking truth from facts, proceeding from reality and integrating theories with facts which were advocated by Comrade Mao Zedong. Furthermore, they think that it is a malicious crime to stick to the act of seeking truth from facts, proceeding from reality and integrating theories with practice. Their actual view is that it is all right as long as a person can cite word for word quotations from Marx, Lenin and Comrade Mao Zedong, and copy them mechanically. Otherwise, they might think that this person violates Marxism-Leninism-Mao Zedong Thought and the spirit of the central authorities. The problem they raise is not a small problem, because it involves the way to treat Marxism-Leninism-Mao Zedong Thought." Comrade Deng Xiaoping's speech played a decisive role in this mass discussion and completely turned the tide.

The 3d Plenary Session of the 11th CPC Central Committee held at the end of 1978 was a matter of great significance in bringing order out of chaos, carrying forward the revolutionary cause, and effecting historically great changes. Of the many contributions of the third plenary session, the most important one was that on the basis of summing up the experience of the discussion of "practice is the sole criterion of truth," it reestablished the Marxist ideological line with seeking truth from facts as its core.

Because of the reestablishment of such a correct ideological line, we were able to shift our long-term work focus from taking class struggle as the key to socialist construction. It was only under such a situation that we could work out and implement a series of correct guidelines and policies following the third plenary session, solve a great number of problems left over from history, and creatively pioneer much new work. At his important speech delivered at the third plenary session, Comrade Deng Xiaoping said: "The present discussion on taking practice as the sole criterion of truth is actually a debate on whether we should emancipate minds. We all think that it is necessary to carry out such a debate because of its great significance. Judging from the present situation of the debate, we realize that it is getting more and more important. If a party, a state, or a nation proceeds from bookishness, ideological ossification and superstition will prevail. It will no longer make progress and its vitality will wane. Such a party and state will perish. Comrade Mao Zedong repeatedly stressed this during the rectification campaign. Only by emancipating minds, seeking truth from facts, proceeding from reality and integrating theories with practice, can we ensure the smooth progress of our socialist modernization and the smooth development of our party's theories of Marxism-Leninism-Mao Zedong Thought. In this sense, the debate on truth criterion is indeed an issue of ideological line and politics, and a matter which is related to the future and destiny of our party and state." This inference is still of major significance to much of our work today and to revolutionary practice in future.

ANECDOTE DEMONSTRATES SU YU'S WORK STYLE

HK250313 Beijing RENMIN RIBAO in Chinese 22 Aug 83 p 3

[Article from RENWU [FIGURES 0086 3670] journal: "Seeking Truth From Facts, Having a Strong Sense of Responsibility -- Anecdote about Comrade Su Yu"]

[Text] On 27 January 1948, Comrade Su Yu received an important telegram sent by the Military Commission of the CPC Central Committee. The main point of the telegram was: In order to force the enemy to change their strategic plan, he was ordered to lead three columns of the exterior line corps of the east China field army to cross the river and drive south, and to perform mobile operations in the south provinces.

When Comrade Su Yu received this instruction, he immediately realized that this important strategic decision adopted by the Military Commission of the CPC Central Committee had significant influence not only for the battlefields in the central plains and east China, but also to the overall situation of the Liberation War. For this reason, he enthusiastically organized the troops in making preparations for crossing the river and tried to further implement the intentions of the CPC Central Committee.

After turning the matter over in his mind again and again, Comrade Su Yu held that if the three columns could cross the river and drive south and perform mobile operations in the strategic rear of the enemy, it would certainly be a terrible threat and check on the enemy. Nevertheless, there were also unfavorable factors which could be hard to overcome; for example the troops would be far away from the liberated areas and would have no reserves to depend on, and so on. Furthermore, it would take some time for the ideological transformation of the three columns which were to fight in the south. Due to these unfavorable conditions, it would be difficult for the three columns to cross the river and accomplish the predetermined strategic plan. Therefore, he immediately submitted his idea and proposals to the Military Commission of the CPC Central Committee.

The Military Commission of the CPC Central Committee decided, after serious studies, to change the original plan. The three columns would not have to drive south, but concentrate their forces to fight big battles in the central plains instead. The development of history has proved that this decision was entirely correct.

RENMIN RIBAO ON COUNTERREVOLUTIONARY SABOTAGE

HK250819 Beijing RENMIN RIBAO in Chinese 22 Aug 83 p 5

[Lecture No 41 on PRC Criminal Law: "Punishment for Counterrevolutionary Sabotage Crimes"]

[Text] Carrying out sabotage activities is a criminal method often used by counterrevolutionaries to oppose the people's democratic dictatorship and undermine the socialist system. Hiding in dark corners, counterrevolutionaries keep spying on the situation and looking for every opportunity to undermine the material foundation of the people's democratic dictatorship, weaken our country's military and economic strengths, undermine socialist modernization, create terror, disturb the people's minds, and disrupt stability and unity. Therefore, we must maintain high vigilance and deal resolute blows at all counterrevolutionary activities.

Counterrevolutionary sabotage crimes are sabotage activities carried out for counterrevolutionary purposes. Counterrevolutionary sabotage crimes have the following two conditions:

First, the perpetrators objectively carry out counterrevolutionary sabotage activities. Counterrevolutionary activities cover a broad range of targets and a large variety of methods. According to Article 100 of the PRC Criminal Law, counterrevolutionary sabotage crimes have the following manifestations:



1. Carrying out demolition, committing arson, destroying dikes or dams, using technology or other methods to destroy military equipment, production facilities, telecommunications and communications equipment, construction projects, protective equipment, public buildings, and public property.
2. Looting state archives and military materials, and robbing factories, mines, enterprises, banks, shops, warehouses and other public property.
3. Hijacking boats or ships, airplanes, trains, bus or trolleys, and motor vehicles.
4. Attacking definite targets as instructed by the enemy.
5. Manufacturing, looting, and stealing guns and ammunition.

For example, instructed by an enemy broadcasting station, a counterrevolutionary in Shandong named Jiang destroyed a railway line on the Jiaoxian-Jinan railway east of Gaomi County, causing a train to derail, bringing traffic on the destroyed line to a standstill, and inflicting a direct loss of 300,000 yuan. Jiang's activity constituted a counterrevolutionary sabotage crime.

Second, the perpetrators subjectively have counterrevolutionary motives. Counterrevolutionary sabotage crimes are not only crimes committed intentionally, but also crimes committed for counterrevolutionary purposes. This is an important characteristic of counterrevolutionary sabotage crimes. It is also a demarcation line differentiating between counterrevolutionary sabotage crimes and natural accidents, technical accidents, culpable accidents, and ordinary intentional sabotage crimes.

Natural accidents are caused by natural factors such as lightening, earthquakes, or storms, and cannot be foreseen or resisted; technical accidents are inevitable accidents which occur due to limited technological conditions such as poor equipment and low technological level. Although these accidents sometimes may cause great destruction, they are not crimes; still less should they be confused with counterrevolutionary sabotage crimes.

Culpable accidents are caused by negligence, irresponsibility, and violation of rules and regulations. If these accidents inflict heavy casualties or serious losses upon public or private property, they should be dealt with according to the provisions in the chapter concerning "crimes doing harm to public security." Crimes committed in such accidents are unpremeditated crimes, while counterrevolutionary sabotage crimes are premeditated crimes with counterrevolutionary purposes. We must strictly differentiate between the two.

As far as the action and form are concerned, there are similarities between counterrevolutionary sabotage crimes and ordinary intentional sabotage crimes such as committing arson, destroying transportation facilities and equipment, destroying public and private property, and undermining collective production, which can cause great harm to society. Subjectively, these two kinds of crimes are committed intentionally, but the intentions are different. Those who commit counterrevolutionary sabotage crimes do so for the purpose of overthrowing the people's democratic dictatorship and the socialist system, but ordinary intentional sabotage crimes are committed in personal revenge, for shifting crimes onto others, or for concealing crimes.

Counterrevolutionary sabotage crimes are crimes which can do great harm to the people. According to the PRC Criminal law, those who commit counterrevolutionary sabotage crimes are sentenced to life, or at least 10 years' imprisonment. Criminals with less serious cases are sentenced to prison terms ranging from 3 to 10 years; criminals who have done extraordinarily serious harm to the people and with extraordinarily vile cases may be sentenced to death. In addition to this, they should be deprived of their political rights and property.

#### NATIONAL MEETING ON FISH FARMING IN RICE PADDIES

OW250916 Beijing XINHUA in English 0823 GMT 25 Aug 83

[Text] Chengdu, August 25 (XINHUA) -- Fish are now raised in more than 533,000 hectares of rice paddies throughout China, according to a national conference on rice paddy fish farming held earlier this month in Chengdu, capital of Sichuan Province.

Output is expected to reach 30,000 tons this year, the conference reported.

China has more than 25 million hectares of rice paddies, but only 2.66 million hectares of lakes and ponds are suitable for fish farming.

In Sichuan Province, fish are now raised in 214,000 hectares of rice paddies, nearly four times the 1978 figure.

Experts at the conference called for more demonstration centers to show peasants how to raise fish in rice paddies without affecting application of insecticide and chemical fertilizer.

Under the current job responsibility system, households are obliged to turn over a fixed portion of the harvest to their collectives, in addition to paying agricultural taxes in kind. But experts at the conference said fish raised in rice paddies should belong entirely to the peasants.

#### NATIONAL WOMEN'S CONGRESS TO OPEN 2 SEP

OW241155 Beijing XINHUA in English 1107 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA) -- China's fifth national women's congress is scheduled to open on September 2, according to a decision made at the eighth session of the Fourth Standing Committee of the All-China Women's Federation, held here this morning.

The purpose of the congress is to rally Chinese women to take a greater part in the country's socialist construction and to map out the task of the women's movement in the new period.

The congress agenda include discussions of the work report submitted by the federation's fourth executive committee, revision of the federation's Constitution, election of a new leading body of the fifth national women's federation and awarding of the title of "March 8th red banner pace-setter (unit)" to the nearly 10,000 outstanding individuals and work units and the commending of nearly 10,000 harmonious families.

Kang Keqing, president of the All-China Women's Federation presided over this morning's session.

The federation's executive committee will sit for three more days to discuss the preparatory work done for the coming congress.

WANG LIN ON SHANGHAI'S ROLE IN CHINA'S ECONOMY

HK250549 Beijing ZHONGGUO XINWEN SHE in Chinese 0042 GMT 25 Aug 83

[Report by Chen Dawei: "It Is Necessary To Bring Into Full Play the Role of Shanghai -- An Interview With Wang Lin, Director of the Shanghai Economic Zone Planning Office" -- ZHONGGUO XINWEN SHE headline]

[Text] Shanghai, 25 Aug (ZHONGGUO XINWEN SHE) -- During the second meeting on discussing the planning theory of the Shanghai Economic Zone, this reporter interviewed Wang Lin, director of the Shanghai Economic Planning Office.

The first question, Wang Lin told the reporter, is why China intends to establish the Shanghai Economic Zone. Wang Lin said that the Changjiang River Delta area, with Shanghai as its centre, has traditionally been described as "a land of fish and rice," the "capital of silk," and a "famous scenic spot for tourists." The 10 cities, namely, Shanghai, Suzhou, Wuxi, Changzhou, Nantong, Hanzhou, Ningbo, Shaoxin, Jiaxin and Huzhou, play a very important role in China's national economy, with their total industrial output value accounting for 20 percent of the whole country's metallurgical industry, 27 percent of its chemical industry, 30 percent of the mechanical and electrical industry, 38 percent of the textile industry, and over 50 percent of its ship building industry. But, due to the limitation of China's current economic management system, there exist in these 10 cities the phenomena of blind construction, repetitious construction, the waste of natural resources and energy, and poor economic results. As a result, the economic superiority of the area cannot be fully displayed. The aim of establishing the Shanghai Economic Zone is to coordinate relationships between these 10 cities, to promote economic combination between them, to establish gradually an economic region and an economic network with Shanghai as its centre, and to bring into full play the role of Shanghai, China's largest economic centre and port, in arranging production and circulation. This is also a new exploration in the reform of China's economic management system.

"According to this guiding thought, what is the task of the Shanghai Economic Zone Planning Office?" asked the reporter.

"Our task can be summarized in one word, that is, 'coordination'" replied Wang Lin. "Coordination mainly means coordination in the planning work. We must, on the basis of the plan drawn up by relevant ministries, two provinces, and one municipality on economic and social development in these 10 cities, draw up a unified regional plan through coordination so as to promote the development of this area's economy toward intergration."

Then, Wang Lin gave an introduction to the work the Shanghai Economic Planning Office has done since its establishment at the beginning of this year. He said: "In the preceding stage, our main work was conducting investigation. In recent months, I and my colleagues have visited the 10 cities one by one. We have also visited some factories and urban constructions, and exchanged ideas with local people on the problem of establishing the economic zone. We also held some forums and listened to various ideas and suggestions. In addition, the Shanghai Economic Zone planning groups in relevant ministries also separately conducted investigations during this period on industry, transportation, and the foreign trade of the area, and some have advanced tentative ideas on the plan. Next, we will concretely carry out the planning work of the Shanghai Economic Zone."

At the end of the interview, Wang Lin told the reporter: "The Changjiang River Delta area has all through the ages been China's richest area, enjoying the reputation that, 'in heaven, there is a paradise; on earth, there are Suzhou and Hangzhou.' This is also one of China's most culturally developed areas, with talented people coming forth in large numbers and generation after generation. This is really a good area with many outstanding people. Both the Rong family in Shanghai and the Chang family in Nantong are famous industrialist families in modern China. Many scholars and businessmen now living abroad or in Hong Kong and Macao hail from Jiangsu, Zhejiang and Shanghai. Due to their understanding of the homeland and their intimate knowledge of the current world economic development, they will not only be concerned with the planning work of the Shanghai Economic Zone, but also have many valuable opinions. I sincerely hope to have their valuable ideas and suggestions heard and also hope that they will make some contributions to the construction and prosperity of the economic zone."

#### SHANGHAI IMPORTS FOREIGN TECHNOLOGY, EQUIPMENT

OW241307 Beijing XINHUA in English 1154 GMT 24 Aug 83

[Text] Beijing, August 24 (XINHUA correspondent Zhou Qifu) -- Shanghai signed contracts on using foreign and Hong Kong funds to import technology and equipment for 120 projects in the first seven months of this year, a spokesman for the State Economic Commission said today. Between 1983 and 1985, the spokesman said, the city plans to import 500 items of technology and equipment. Shanghai is China's leading industrial and business center.

Importation of technology and equipment is part of the City's effort to upgrade its industry to world levels of the late 1970's or early 1980's by the end of 1990, the spokesman said. In accordance with a State Council decision in May, Shanghai now has greater initiative in making use of foreign funds. It may solicit foreign funds by undertaking joint ventures, cooperative business operations or production, or through compensation trade.

A group in charge of the importation of technology and equipment was established earlier this year by the Shanghai Municipal Government. Local institutions of higher learning are training specialized personnel for foreign trade and external economic relations.

#### FURNACE AT SHANGHAI COMPLEX IN TRIAL OPERATION

OW152218 Beijing XINHUA in English 1646 GMT 15 Aug 83

[Text] Shanghai, August 15 (XINHUA) -- Auxiliary equipment for the No 1 blast furnace at the Baoshan iron and steel complex went into trial operation here today. The furnace system, one of 22 major projects in the first phase of Baoshan's construction, is designed to produce 10,000 tons of pig iron a day. Construction of the No 1 blast furnace system started in April 1979. Tests will continue until next year, when the complete unit will be put into trial operation.

#### JINGJI GUANLI DISCUSSES SHANGHAI'S ECONOMY

HK230900 Beijing JINGJI GUANLI in Chinese No 7, 5 Jul 83 pp 15-17

[Article by Qi Fenxing: "What Should Shanghai Do To Quadruple the National Economy?"]

[Text] Like all other places in China, Shanghai has developed its economy very rapidly and has also gradually improved economic efficiency since the 3d Plenary Session of the 11th CPC Central Committee.



What should Shanghai do in the future in its effort to make still greater contributions in "quadrupling" the national economy? My views in this aspect are as follows:

#### I. Make Development Through Launching Technical Service

At present, the situations of economic development, production technology, management, and economic efficiency in various places across the country are not balanced. Consequently, it is imperative to display the advantages of the socialist system, help and learn from each other, and learn others' advantages to make up for ones' shortcomings so as to make common progress. Now, fraternal provinces and cities look to Shanghai for help. But on the one hand, Shanghai only has limited technology that is worth transferring. It is because all other places across the country have also developed their technology and economy and they have been able to turn out many products that were beyond their ability to produce in the past. The advantages of Shanghai (including product quantity, variety, and quality) are now gradually fading away. This is a good situation. We must support the provinces and cities that have favorable conditions to produce more new products. And for this purpose, it is imperative for Shanghai to do the following:

First, Shanghai cannot stick to old conventions and rely on old products. It must turn pressure into a motive force to open up a new road so that it will be able to get the upper hand through "competition." Shanghai must also transfer in a planned way its limited particular advantages to support the development of fraternal provinces and cities and organize its strength to make breakthroughs in scientific and research work. The more modernized the industrial production technology becomes, the more departments will be involved and the knowledge needed will become more wide and intensive. Therefore, the method of relying on a few people and units in carrying out the work, from developing technology to mastering imported technology and from carrying out experiments to production, must be changed. It is necessary to organize the combination of specialize research institutes, enterprise scientific and research departments, and production units to make scientific and technical breakthrough and to make staff, reference materials, equipment, and raw materials display their roles to the utmost. In the future, various trades in Shanghai must have a number of mature technical reserves with production conditions and when they are using the second batch of new technology, they will be able to transfer the first batch of the technology and when they are transferring the second batch of technology they have already begun to use the third batch of the technology. In this way, all the provinces in the country will have the chance to use the mature and new technology to produce marketable products.

At the same time, Shanghai itself will be able to constantly use modern technology of the world advanced level. Technical training must be given to develop new technology and, consequently, to renew knowledge and technology so that Shanghai will be able to fully display its role as a comprehensive scientific and technical base. Therefore, we must be bold in creating a new situation for technical transfer and in this way it is hoped that Shanghai will be able to maintain its advantages.

Second, experiments and research work must be stepped up. Investments are needed in developing new technology and new products. But at present, the procedures for getting approval for such investment are complicated, with too much duplication. Some investments are quite risky; some projects are carried out with enthusiasm at the outset but after setbacks, the enthusiasm fades. It is hoped that the departments concerned will study a simple and feasible method, the main purpose being to turn on a great light for developing new technology so as to promote the development of science and technology. It will not do for financial workers just to refuse approving investments. They must grasp financial and economic policies from the point of economics.

Third, carry out paid transfer. This method is necessary not only to recover cost but, more important, to bear economic responsibility and share economic efficiency. It is hoped that the financial policy for income deriving from technical transfer and technical service will be relaxed. Such income cannot be treated in the same way as enterprise profit which has to be handed over to higher departments according to rules and regulations. Enterprises must be allowed to retain more in this aspect and higher management departments of the enterprises must in no way indiscriminately transfer this income. Enterprises must have greater freedom in using this kind of income so as to encourage them to constantly develop new technology.

## II. Develop Productivity Through Coordination and Unity

The area of Shanghai proper is only 143 square km, but it is dotted with countless factories. Productivity of some factories has already surpassed designed capacity by several fold, while their production tasks are still increasing each year. It is difficult to carry out reform on the spot; it must be carried out in some other manner. But in this way, the problems of grain and vegetables that are needed by the 10 million people of the city will be threatened. I think we can take the road of developing productivity through coordination and unity.

1. Organize coordination in specialized production. Shanghai has accumulated rich experiences in organizing production among specialized departments during the readjustment of the national economy. This method is in fact a way for succeeding in tapping inner potential and improving technical level, management level, production level, and economic efficiency. The development of production on the basis of coordination among specialized departments can be carried out within a system or throughout the whole city. Further development in the coordination of production in specialization, standardization, and generalization will be helpful in decreasing production order, saving labor, saving raw materials, saving energy, improving product quality, and saving time in the interest of developing productivity. But this work involves many aspects with complicated problems such as ideology and habits and many other problems; therefore, this work will make achievements only under leadership and only when it is carried out with planning and step by step.

2. Carry out economic unity among provinces in the country, fully display the advantages and characteristics of various places, and form economic unity on the basis of coordination in production among specialized departments. The technology of Shanghai can be used in carrying out united production with other places in the country when it is required so as to gradually transfer technology and production to the rest of the country. In this way, Shanghai will be able to cure the "sickness of inflation" and have places for developing new technology and new products. There are two methods for carrying out economic unity. One is to help other places with charges for technical transfer and technical service. Another method is to organize united production, with Shanghai providing technology and other places providing raw materials, and the profit being shared proportionately. Viewed from intermediate and partial interests, certain factories may get less profit; but in the long term and with the whole interest in mind, it is only when old technology and old products are transferred that new technology and new products can be developed. The income from transferring a technical item may be small, but more transfers means more income and profit will eventually increase. In addition, with technology being transferred to other places, there will be a guarantee for the supply of raw materials to increase output and, in this aspect, it means that profit will be increased. Thus, with Shanghai being able to "get rid of inflation" in the development of other places, why should we not do it?

But in doing this work, we have to solve the following problems:

1. The procedures for approving united investments in capital construction projects must be simplified.

This question is rather complicated because it involves the relationships among provinces and cities and between provinces and cities and economic zones.

If a mine is located between two provinces, the relationship becomes more complicated. In addition, it is difficult to handle differences in financial distribution systems in various provinces, and thus another link has to be resolved. More relationships mean more disputes over trifles; distribution of partial interests can drag on for as long as 6 months, and no one cares that this will cause losses to the whole, both in time and goods and materials. Sometimes, we may at the same time feel urgency of work but start from different points. My view is that all economic unity that involves provinces and cities must be included in state planning so that there will be a guarantee for both construction and production; in this way, we will also be able to efficiently determine the location of projects and avoid waste because of backward technology. The state must set up an organization that is particularly responsible for the management of this work so the problems can be resolved quickly.

2. Distribution of profit and tax. This question involves local finance. But it can be resolved through consultation if the finance departments are able to proceed from the principle of giving consideration to the whole and promoting economic development. Some places may "suffer losses" in their current income, but with the development of the national economy, the small rivers will be full of water since there is water in the big river and, therefore, viewed from long-range interests, such economic unity is worth doing and it must be supported. To make concession to each other or to let meat in the caldron become tender is better than dragging the "legs" backward or following another's suit.

3. Organize management. It is necessary to form boards of directors, with related leading members of economic zones acting as chairmen. It is also necessary to set up the post of manager so that someone will be responsible for management. Party organizations must be separated from administration. The places where factories are located must be responsible for the party's work. Managers must be responsible for boards of directors in financial matters. Leading departments of provinces and municipalities must support the joint ventures that are located in their places; they should neither interfere with nor cut the ground from under the feet of joint ventures. This must be guaranteed legally.

## II. Work According to Economic Law

Price of products is an important incentive to the production of new products and market business. Market activities in our country are carried out under the guidance of socialist planned economy and there should be a certain degree of floating in the price of new products. This is because every new product must go through the process of making decisions -- from trial production (small- and medium-scale trial production) and trial sales, to being in great demand, then becoming unsalable, decaying, and finally being eliminated. Expenses are needed in making decisions and for trial producing; investments are needed in production while other expenses are also needed in the processes of developing, in guaranteeing good sales, and in constantly improving products. Therefore, the price of new products changes following the process of growth to decay so as to encourage the birth of new products. "Unchanged" prices are not in the interest of market business, nor are they in line with the law of the change of the "cycle of life span."

The price of products is closely related with the interest of enterprises and whether the enterprises are able to hand over the required amount of tax and profit to higher departments. Therefore, when we talk about price, we cannot but feel that it is a difficult problem. In my view, this problem can be solved without having to wait for entirely mature conditions. It can be solved now under the current conditions and according to the general orientation of reform and under the principle of "small quantity but many changes" that is based on the advanced and the backward and the easy first and the difficult later. When conditions mature, this problem can be solved comprehensively. In this way, consideration is given to both aspects. As long as leading departments are more open-minded to create more conditions for enterprises and let them make their own decisions, I am confident that the leaders of enterprises themselves will be able to solve this problem by relying on themselves.

#### BRIEFS

SHANDONG WHEAT PROCUREMENT -- This year, Weifang Prefecture, Shandong Province, has reaped a bumper harvest in summer grain, and total output will be 40 percent more than the 1982 figure. After the bumper harvest, the large number of cadres and the masses in rural areas have enthusiastically delivered the public grain and have marketed the surplus grain to the state. By 23 June, the prefecture had already stored up 602.14 million jin of summer grain and overfulfilled the provincial-assigned procurement task. [Text] [Jinan DAZHONG RIBAO in Chinese 27 Jun 83 p 1 SK]

SHANDONG OIL OUTPUT -- Shengli oilfield, Shandong Province, produced 8.862 million tons of crude oil in the first half of 1983, an increase of 10.2 percent over the corresponding period in 1982, topping the state plan by some 712,000 tons. [Summary] [Jinan DAZHONG RIBAO in Chinese 13 Jul 83 p 1 SK]

SHANDONG SAVINGS DEPOSITS -- Savings deposits in the urban areas of Shandong Province increased some 329 million yuan in the first 6 months of 1983, an increase of 59.96 percent over the corresponding period of 1982. By the end of June, the average per capita savings deposits of staff and workers was 395 yuan, and that of residents, 286 yuan. The total amount of urban savings deposits accounts for 32.4 percent of the total amount of credit funds released by banks. [Summary] [Jinan DAZHONG RIBAO in Chinese 13 Jul 83 p 1 SK]

SHANDONG RAILWAY OPENS -- Checked and accepted by a relevant department, the railway run by Shandong Province's Yanzhou mining area opened for traffic on 1 July. The Yanzhou mining area is a key state project. The railway spans Zhouxian, Yanzhou, Qufu, and Jining Counties. After the completion of the mining area, the railway trunk line will be 126 km in length. At present, only 36 km of railway line is opened to traffic. [Summary] [Jinan DAZHONG RIBAO in Chinese 8 Jul 83 p 1 SK]



GUANGDONG MEETING STRESSES DENG'S 'WORKS'

HK240751 Guangzhou Guangdong Provincial Service in Mandarin 2300 GMT 23 Aug 83

[Text] The provincial propaganda work meeting, which had been approved by the provincial CPC Committee, ended yesterday. The meeting conveyed and implemented the spirit of the national propaganda work conference, reviewed the propaganda work of our province in the first half of the year, and studied and planned the task in the second half of the year. It emphasized that the key point in propaganda work should be the study of the "Selected Works of Deng Xiaoping," and that the study should be closely combined with various aspects of work, so that the study can become the motive force that facilitates various kinds of work. The meeting opened on 17 August. It was attended by heads of the propaganda departments of various provincial, city, prefectural, and county authorities and responsible comrades of various organs of propaganda under the provincial authorities, totaling more than 180 persons. All present seriously studied the important talks by central leading comrades such as Hu Yaobang, Hu Qiaomu, and Deng Liqun, and conducted enthusiastic discussions on problems such as ways to fulfill the tasks set by the national propaganda work conference, and measures to open up a new phase in the propaganda work in our province. At the meeting, the tasks were clearly defined and the key points were clearly presented. Through studies and discussions, all the persons attending the meeting enhanced their understanding and strengthened their confidence in doing the propaganda work well. The provincial CPC Committee attached great importance to this meeting. The First Secretary of the provincial CPC Committee, Ren Zhongyi, and Secretary Lin Ruo issued instructions on ways to conduct the meeting of the propaganda work. Member of the Standing Committee of the provincial CPC Committee Yang Yinbin and Deputy Director of the Advisory Committee of the provincial CPC Committee (Chen Yueping) spoke separately at the meeting. Head of the Propaganda Department of the provincial CPC Committee (Lin Jiang) made a concluding speech at the meeting.

The meeting has made concrete arrangements regarding the propaganda work in the second half of the year. The meeting holds that the following work should be the main task in the second half of the year and for a further period:

1. Do a good job in the study of the propaganda work on the "Selected Works of Deng Xiaoping," so that ideological preparation can be made for the overall party rectification.
2. Continue to do well the propaganda work on the First Session of the Sixth NP.
3. Strengthen the propaganda and education on patriotism and communism, and do a good job in the construction of socialist spiritual civilization. At the same time, cultural and artistic workers should be organized to study the part on cultural and artistic work of the Government Work Report made by Premier Zhao Ziyang at the First Session of the Sixth NPC.

The meeting demands that all the comrades on the propaganda front in the province continue to bring into play the spirit of overcoming difficulties and daring to create new things, and take further steps to do the propaganda work well. It is hoped that the new leading groups at various levels will display new work styles and a new appearance, and that they can further emancipate their minds, exert more efforts in their work, be more intensive in work style, and more assiduous in their studies. Great efforts should be exerted to push the propaganda work of our province to a new stage, and to open up a new phase in propaganda work.

GUANGDONG PROMOTES TOWNSHIP ESTABLISHMENT

HK210627 Guangzhou Guangdong Provincial Service in Mandarin 1100 GMT 20 Aug 83

[Text] The work of separating government administration from commune management and establishing township governments is proceeding in Guangdong in a planned and measured way. Pilot projects have been established in 11 prefectures and cities and 17 counties. Units that have completed separation of government administration from commune management are: Yonghe Commune of Zengcheng County under Guangzhou City; Xixiang Commune of Baoan County under Shenzhen City; (Guangli), (Hehe), (Baitu), (Jinli), and (Xinqiao) Communes in Gaoyao County; Fucheng Commune in Yunfu County; Longjiang Commune in Qionghai County; (Baigong) Commune in Meixian County; and (Fengtang) and (Fengxi) Communes in Chaoan County.

According to incomplete statistics, the province has now established 55 districts [qu] and 461 townships. Pilot project work is also in progress at some other communes.

These pilot projects have set up township party committees or general branches, people's governments, and economic organizations. The party, the government, and the enterprises each have their own duties to perform. In Gaoyao and Yunfu Counties and the Zhanjiang City outskirts, the general practice is for the communes to be turned into districts [qu] and the former brigades, or a combination of them, to be turned into townships. The District Public Office is an agency of the county government. The township is a government level.

The various localities have also fully followed the mass line and seriously assigned the leadership groups for the district and township party, government, and enterprises.

Following the separation of government administration from commune management and the establishment of township governments, the various localities have set up village residents' committees based on natural villages or natural village communities. These committees actively carry out their work in accordance with the relevant provisions of the constitution.

GUANGZHOU PLA LEADERS VISIT AIR DEFENSE PROJECTS

HK250352 Guangzhou Guangdong Provincial Service in Mandarin 2300 GMT 24 Aug 83

[Text] On 24 August, Guangzhou PLA Units Political Commissar Wang Meng, Deputy Commander Zhang Xudeng, and Deputy Chief of Staff (Shi Yunxiu), accompanied by Guangzhou Vice Mayor (Mai Duyan) and responsible comrades of provincial, city and military Antiair Defense Departments, inspected a number of Guangzhou City antiair defense projects that combine peacetime and wartime uses.

The underground emporium at Nanfang Building is a large affair famed throughout the country. A responsible comrade of the Nanfang Building Department Store said: Construction of the antiair defense project was organized by the city Air Defense Office and the No 1 Commerce Bureau. Last year the Nanfang Building Department Store fitted it out as an underground emporium and assigned 400 work personnel there. Since it started business last February, its sales volume has reached 18 million yuan and its net profit 1.3 million yuan. It is estimated that the entire construction investment can be recovered in 3 years.

Comrade Wang Meng immediately praised this type of antiair project combining wartime and peacetime uses. He pointed out: In future, the orientation for antiair defense projects is to combine peacetime and war wartime uses. Comrade Wang Meng and the others also inspected some other antiair defense projects. At the end of the inspection, Comrade Wang Meng emphasized: We must be vigilant in time of peace, and further promote construction for antiair defense and preparedness against war while getting a good grasp of economic construction.

#### GUANGXI COUNTY ON ITS CULTURAL REVOLUTION PROBLEMS

HK231234 Nanning Guangxi Regional Service in Mandarin 1130 GMT 22 Aug 83

[Summary] "In the light of the complexity of the problems left over by the Cultural Revolution, Bobai County has sent veteran cadres deep into communes and brigades to do well in ideologically educating the family members of victims of the Cultural Revolution and people who seriously violate law and discipline. This has played a great part in stabilizing the situation and properly dealing with the problems left over by the Cultural Revolution."

This county has a large number of locally born and bred veteran cadres. Some of them waged guerrilla warfare and carried out land reform locally before and after liberation. Some others served as grassroots leaders in their hometown. They are now still holding leading posts on all fronts in the county. They have relatively high prestige among the cadres and the masses.

At the beginning of June, the county CPC Committee held a meeting of veteran cadres on dealing with the problems left over by the Cultural Revolution. The county CPC Committee asked them to give counsel and advice on how to do well in dealing with the problems left over by the Cultural Revolution.

"On the basis of these veteran cadres' views, the county CPC Committee decided to organize a work team of 14 veteran cadres and has sent it to urban and rural areas and 7 communes, including Fengshan, Wendi, and Shahe to help localities deal with the problems left over by the Cultural Revolution. After they arrived at their destinations, they closely relied on local CPC Committees, commune and brigade cadres whose party spirit is strong and on veteran party members and veteran backbone elements among the peasants to publicize the party's policies, to conduct education in the legal system, and to carry out throughgoing and painstaking ideological and political work. Some victims' family members were deeply touched by the deeds of approximately 50-year-old veteran cadres in working hard from village to village and from production team to production team in the daytime and from house to house at night. They declared that they would certainly trust the party and the party's policies and act in accordance with the party's policies."

While doing well in ideologically educating victims' family members, the veteran cadres have also done well in ideologically educating people who seriously violate law and discipline so as to make them confess their mistakes.

#### GUANGXI RIBAO DISCUSSES STRUCTURAL REFORM

HK240451 Nanning Guangxi Regional Service in Mandarin 1130 GMT 21 Aug 83

[Report on 21 Aug GUANGXI RIBAO editorial: "Grasp Firmly Structural Reform, Reorganize the Leading Group"]

[Text] The editorial says: The work of handling problems left over from the Cultural Revolution in our region is being carried out in depth.

At present, we must carry out structural reform and the reorganizing of leading groups in connection with this work. We must reorganize first the organs at regional level and party and government leading groups at prefectural and city levels. As a result of handling the problems left over from the Cultural Revolution in the previous period, the situation of most of the party organizations and of the cadre ranks in the region has been basically clarified, and the conditions for structural reform and the reorganizing of leading groups have basically formed. We must do the work well with full confidence.

The editorial points out: The implementation of ideological and political lines has to be ensured by organizational line. Our work in the past 4-odd months shows that the key to handling the problems left over from the Cultural Revolution in the region in accordance with the line, principles, and policies of the 3d Plenary Session of the 11th CPC Central Committee is to establish a strong and effective leading group. Facts also show that when we carry out structural reform and reorganize the leading groups in handling the problems left over from the Cultural Revolution, we can then strengthen the leadership in handling those problems and ensure that the work will be carried through to the end.

The editorial stresses that doing the work of structural reform and reorganizing the leading groups well is of greater and more profound significance. It is an important guarantee for smoothly carrying out socialist modernizations, and it is also a matter with a bearing on the issues of the continuation of our great cause and having successors to carry on our revolution.

In a speech entitled "Streamlining the Administrative Structure Is a Revolution," Comrade Deng Xiaoping pointed out: If we do not carry out this revolution and we allow our present party and state situation to go on as it is, that is, having overstaffed organizations, duties undefined, incompetent staff, irresponsible, and having inaction, ignorance, and inefficiency in work, the people, including ourselves and the cadres below us, will not possibly accept it. This is a revolution. The target of it is, of course, system rather than people. If we do not carry out this revolution and if we let aged and sick people hinder those relatively young, active, and efficient people, not only will it make our four modernizations hopeless but will also be the death of the party and the state. Our party and the state could possibly perish. The "Selected Works of Deng Xiaoping" has many brilliant expositions on structural reform and reorganizing the leading groups. We must conscientiously study well those expositions and determinedly do the work well.

The core issue in structural reform is to resolutely assign the leading groups in accordance with the principle of small in number but highly trained, and the policy of having the cadres revolutionary younger, better educated, and more professionally competent. We must uphold the principle of having both ability and political integrity and implement the line of appointing people on their merits. When we select cadres, we must ensure their political, educational, and age soundness. When we ensure their political soundness, we mean selecting cadres according to the demand for revolutionization; and must not allow those people who rose to power by rebelling during the Cultural Revolution, those who are seriously influenced by factionalist thinking, beaters, smashers, and looters, and those who oppose the central line since the 3d Plenary Session of the 11th CPC Central Committee, as well as those who committed serious violations of discipline and law, to enter into leading groups. If they have already entered the leading groups, they must be resolutely purged. When we are purging the "five types of people" which include those "three types of people," we must also not allow those whose political problems have still not been clarified and a conclusion on them reached.



The same applies to those who committed other serious mistakes and are reluctant to correct them though they do not belong to the "five types of people," or those who have bad ideological character, often undermine unity, and are lacking dedication and a sense of responsibility. If they have already entered the leading groups, they should be removed. Furthermore, those people who try not to offend others and do not handle work according to principles, as well as those who are of limited ability and political integrity and are incompetent, are also not allowed to enter the leading groups.

When we ensure their educational soundness, we mean selecting cadres according to the principles of better education and professional competence. In leading groups at department and bureau levels and in city CPC Committees, half of the members should reach the college level or equivalent educational level; and for members among leading groups at prefectural and county levels, one-third of them should reach the college level or equivalent. When we determine whether or not a person has reached the college level, we should look at both his school record and certificates as well as his practical cultural and knowledge level rather than just look at this school record and certificates only; in particular, we must pay attention to his real ability and learning in solving problems and in creating a new situation. As to those who become experts by studying on their own and those cadres who can systematically master their professions in practice, we should think highly of them and treat them as though they had received systematic training in colleges, or as cadres who possess professional knowledge.

When we ensure their age soundness, we mean selecting cadres in accordance with the principle of younger age. We should boldly and freely select fine, young, and middle-aged intellectuals and cadres who possess political foresight and ability in organization and management, or who have a great future in developing their abilities of leadership. We should fully trust them politically, and employ them freely in our work, so that they can have both the duties and powers to bring their functions into play in suitable leading posts. We must work hard to establish a regular system of reserve cadres.

The editorial points out: As we are carrying out the work of structural reform and reorganizing the leading groups, those who have reached retirement age generally have to retire. However, in light of the present actual situation in the region, leading groups of some units can go through a transition period. Individual principal leaders of some leadership groups who are needed in work, who are in good health, and are approved can be retained for a transition period to serve as principals or deputies, member of the Standing Committee, or advisers, in order to train the new leading groups and to ensure that the work of handling the problems left over from the Cultural Revolution will be carried through to the end.

When we reorganize the leading groups, we must do well in the replacement of old cadres by new and the assignment of the leading groups' members. In the new leading groups, the former leading groups' members should account for one-third of the members while new members should account for the rest. Due to the restrictions in the number of members of the leading groups, and in order to train our younger successors, there will certainly be a number of cadres who are below the retirement age who have to step down from the leading groups. For these early retired old comrades, we should highly respect them politically and take good care of them in their daily lives. As for those who still have working ability, we must bring their role into full play through various means. We must take care to select and train minority-nationality cadres and female cadres, as well as to arrange for non-party cadres to assume leading posts.

The editorial points out in conclusion: We must follow the mass line when reorganizing the leading groups, and integrate democratic recommendation with organizational examination. We must hand the relevant policies over to the masses and mobilize thousands upon thousands of cadres to recommend qualified personnel, rather than rely only on a handful of people to discover and recommend them, or to prepare in advance a name-list and have the masses only select from the names on the list. We must emancipate our mind and broaden our vision. We must not rely only on a handful of people who always recommend those whom they know well, nor must we confine the selection area within the party and government systems. We can select both from inside and outside our systems and enlarge our selection area to include grassroot units, such as factories, mines, research institutes, and colleges. To follow the mass line is not only simply for selecting qualified personnel but also for mobilizing the people to put forward their own opinions on the organization of the leading groups, who will be removed, who will remain in the post, and who suits the post best.

We must adopt various forms when following the mass line. For example, we should organize individual talks, small-scale informal discussions from above to below in order to probe their views and repeatedly solicit their opinions, and finally, the party organizations will collectively discuss and resolve the matters. This method of following the mass line can be regarded as an effective method to discover qualified personnel and select cadres in large numbers in the new historical period, as well as a major breakthrough in reforming the cadre system.

During wartime in the past, we did not have the conditions to carry out this work; and still less was this the case during the 10 years of disorder. At present, after we have brought order out of chaos and established the correct line, we absolutely have the conditions to carry the work out. So long as all members of CPC committees at all levels attach great importance to the work ideologically, strengthen their leadership, have a good grasp of the party's policies, and use correct methods, we can, in connection with handling the problems left over from the Cultural Revolution, do a good job in structural reform and reorganize the leading groups.

#### BRIEFS

GUANGDONG RETIRED WORKERS' SUBSIDIES -- The Guangdong Provincial Civil Affairs Department and the provincial Finance Department recently appropriated 660,000 yuan in special funds to all prefectures and cities and an autonomous prefecture to subsidize the elderly, weak, and disabled workers, who retired in the early 1960's as a result of a reduction in the number of workers, by each month giving them 40 percent of their original wages. This embodied the concern of the party and the government for the livelihood of these retired workers. [Summary] [Guangzhou Guangdong Provincial Service in Mandarin 2300 GMT 14 Aug 83 HK]

GUANGDONG COMMUNE, BRIGADE ENTERPRISES -- In the first half of this year, commune and brigade enterprises in Guangdong Province have greatly developed. Their gross income reached some 2.73 billion yuan, an increase of 10.7 percent over the same period last year. The income of commune and brigade enterprises in Zhanjiang Prefecture recorded an increase of 34.8 percent and income increased by 21.1 percent in Shaoguan City. The income of commune and brigade enterprises in Guangzhou City and Huiyang, Shaoguan, and Zhaoqing Prefectures each increased by over 10 percent. Commune and brigade enterprises in the province have stressed developing poultry and livestock breeding, small hydro-electric power stations, coal production, and mining. They have, therefore, provided to the state a large amount of agricultural and sideline products, raw materials, and energy resources. [Summary] [Guangzhou Guangdong Provincial Service in Mandarin 2300 GMT 15 Aug 83 HK]

SICHUAN OFFICIAL ON ECONOMIC WORK, PROBLEMS

HK130507 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 13 Aug 83

[Excerpts] Yesterday morning, the 1,200 delegates to the Sixth Sichuan Provincial Women's Congress held a gathering to hear a report by Jiang Minkuan, deputy secretary of the provincial CPC Committee and vice governor, on the province's economic situation.

Comrade Jiang Minkuan said: This year the province's spring grain harvest showed an increase, and the rapeseed harvest was the second largest in history. The spring-sown crops are growing quite well and a bumper harvest is in prospect. Total value of industrial output from January to June amounted to 50.8 percent of the year's plan and showed a rise of 11.7 percent over the same period last year, while financial revenue rose by 12 percent.

Comrade Jiang Minkuan stressed: In order to maintain and develop the excellent situation in Sichuan, we must pay attention to solving the following problems:

1. Controlling the population is the key to vigorous economic development in Sichuan. In the past there were several peak periods of births in the province, with a maximum natural population growth rate of 31 per 1,000. Some years ago we got a vigorous grasp of things, and the rate in 1980 fell to 5.1 per 1,000. However, since the responsibility systems were instituted in the rural areas, there has been a considerable rise in the past 2 years, for various reasons. In 1981 the rate reached 9.2 per 1,000 and in 1982 it was 8.96 per 1,000. We must still do a good job in this work.
2. Improving the economic status of women is the precondition for improving their social status. Where is the way out for improving women's economic status? Mainly in actively taking part in socialist construction work and achieving economic independence.
3. Improving the level of culture, science, and technology is fundamental for accomplishing the four modernizations and the essential condition for improving women's economic and social status.

SICHUAN STRUCTURAL REFORMS IN CITIES, PREFECTURES

HK200229 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 20 Aug 83

[Text] According to SICHUAN RIBAO, structural reform in the party and government organs of cities and prefectures in the province has been underway since March. Under the leadership of the provincial CPC Committee and with the help of the central and provincial CPC Committee work groups, readjustment and assignment of the leadership groups of 18 cities and prefectures has been basically completed after more than 5 months of hard work.

The new leadership groups represent a major breakthrough in age and educational standards. The number of city and prefectural CPC Committee secretaries and deputy secretaries, city and autonomous prefecture government heads and deputy heads, and prefectural commissioners and deputy commissioners has been reduced from the previous 246 to 153, representing a reduction from 13.6 to 8.5 persons in each leadership group. The average age has been reduced from 53 to 48.6. The percentage of those with university education has risen from 8.5 to 35.3. Fifteen persons -- 10 percent -- have professional and technical titles at and above engineer level.

A number of old cadres, acting according to the needs of the revolutionary cause and in the spirit of serving the public, have voluntarily retired to the second and third lines and actively helped organize the new leadership groups. They have thus gained further merit in structural reform.

SICHUAN TO CUT SCALE OF CAPITAL CONSTRUCTION

HK200209 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 20 Aug 83

[Excerpts] The provincial government has issued four new regulations for further cutting the scale of capital construction and ensuring key construction work. The regulations are as follows:

1. Resolutely control the total scale of capital construction in the province. No area or department may under any pretext exceed the construction plans transmitted by the provincial authorities.
2. Further carry out a serious stocktaking of projects under construction, and halt or suspend some more projects in accordance with the demand for not exceeding the plans. With regard to projects not covered by the plan, housing and capital construction projects not completed by the end of August must be immediately halted for stock-taking. Work should not begin on projects covered by the plan on which work has not yet been started.
3. Capital construction investment from all sources must be included and arranged within the control plans.
4. Leaders everywhere must be resolved to control the scale of capital construction, take a resolute approach, and seriously institute a responsibility system for mayors and prefectural commissioners. Mayors, prefectural commissioners, and county heads must accept responsibility for failure to cut down the scale of capital construction in accordance with the plan.

These regulations were announced at a telephone conference convened by the provincial government yesterday evening. Responsible persons concerned of cities, prefectures, counties, and provincial departments took part. Provincial CPC Committee Deputy Secretary Jiang Minkuan presided. Vice Governor He Haoju made a speech. He stressed: Unless the scale of capital construction is cut down, it is difficult to carry out the central authorities' policy decision on concentrating forces for key construction work. This is a major issue related to the success or failure of the four modernizations. We must understand its gravity.

Provincial CPC Committee Deputy Secretary and Governor Yang Xizong said at the meeting: Controlling and cutting the scale of capital construction is a major central policy decision. The central authorities are resolved to do this. We must therefore unswervingly implement this decision. Does it mean we will have nothing to do after the scale of capital construction is cut? No. Where should our forces be employed? We should carry out technical transformation and promote consolidation in the enterprises. Proceeding from reality and basing efforts on local resources, we should develop collective enterprises in the urban and rural areas; these small enterprises should supplement the large ones. Having grasped these items, there will be great prospects for the development of local economy.

AIR FORCE LEADER VISITS UNITS IN XIZANG

HK210315 Lhasa Xizang Regional Service in Mandarin 2340 GMT 20 Aug 83

[Text] Air Force Deputy Commander Wang Hai, accompanied by leading comrades of the Air Force of Chengdu Military Region, recently visited Air Force commanders and fighters stationed on the Xizang plateau.



On arriving at the units, they asked detailed questions about the work, study, and daily life of the commanders and fighters. On behalf of the CPC Committee and the leaders of the Air Force, they extended cordial regards and encouragement to the Air Force commanders and fighters battling for many years on the Xizang plateau and making contributions to defending and building the border region. They urged them to take root in the border region, live happily on the plateau, continue to display the pioneering spirit of arduous struggle, and gain new merit in defending and building the motherland's southwestern border.

On behalf of the commanders and fighters, leading comrades of the Air Force units in Xizang pledged to regard the concern of the CPC Committee of the Air Force as the motive force for promoting all work in the units, to work hard to learn to apply the basic thinking in the "Selected Works of Deng Xiaoping" to guide work in the units, and further whip up an upsurge of learning from Zhu Boru and striving to be new Lei Fengs of the 1980's; and to teach the cadres and fighters to firmly establish the idea of living happily on the plateau and engaging in long-term construction of Xizang, work hard to improve cultural levels, train hard in military skills, ensure flying safety, and contribute to speeding up the regularization of the Air Force.

#### ARMY DAILY ON PLA TROOPS FIGHTING XIZANG DROUGHT

OW201428 Beijing XINHUA in English 1355 GMT 20 Aug 83

[Text] Beijing, August 20 (XINHUA) -- As Tibet faces the driest weather in its history this summer, more than 10,000 officers and armymen stationed there are throwing themselves into the fight against the drought, says LIBERATION ARMY DAILY today.

Wells and rivers run dry, 83,000 hectares of farmland is menaced by drought, and the water table continues to drop, as the relentless heatwave of the last two months parches the rich grain lands of the Lhasa, Yarlung Zangbo and Yanchu valleys.

Wang Xinqian and Yang Shixi, political commissar and deputy political commissar of the Tibet Military Area Command, went to the affected areas and led their men in reducing the effect of the drought. Soldiers heaved their company's pumps and generators up to stricken Quxi County to help the locals. An anti-aircraft regiment provided 1,000 litres of diesel oil to pump precious water onto 53 hectares owned by two villages in Lhasa's Chengguan area which were in danger of losing half their crops. And the army in Qamdo opened its own reservoirs to rescue seven hectares of its neighbors' barley and wheat.

#### XIZANG HAS GREATER VARIETY OF READING MATERIAL

OW160829 Beijing XINHUA in English 0728 GMT 16 Aug 83

[Text] Lhasa, August 16 (XINHUA) -- The traditional Tibetan Almanac, orthography, books teaching people to read with the aid of pictures and folk epic "King Gesar" have been rated as the bestsellers among Tibetan publications.

According to sources from the Tibet People's Publishing House, the best among the bestsellers is the Tibetan Almanac, out of stock last year in which 180,000 copies were sold. To satisfy the increasing demand, the publishing house plans to print 250,000 copies this year and almost one in every seven Tibetans will have a copy late in the year.

The Tibetan Almanac, one of China's celebrated astronomical yearbooks, concentrates on middle-and long-term weather forecasting. Similar to the lunar calendar of the Han nationality, it employs calculation by lunar and solar calendars, the five elements (metal, wood, water, fire and earth) and the twelve animals symbolizing the year in which a person is born. But its formulae and data for forecasting solar and lunar eclipses and the positions of planets are quite different from those of the lunar calendar. The revised traditional almanac is especially popular among peasants and herdsmen, who form the majority of the Tibetan population, because it includes modern astronomical knowledge and farming hints.

Apart from the almanac, easy books on such things as Tibetan orthography, calligraphy models and practical works are popular with the Tibetans. Books in Tibetan on Tibetan history and the history of Buddhism have an annual circulation of above 100,000 copies.

Since its publication in 1980, twelve volumes of the Tibetan folk epic "King Gesar" have come off the press, containing 1.8 million words. The first two volumes have already sold out and later ones are selling well. The whole epic consists of 36 volumes and 15 million words. An assistant in a Tibetan bookstore in Lhasa said books in Tibetan to help people to learn to read are in short supply these days. "This is because the regional government has been stressing national elementary education," she said, "and Tibetans are eager to raise their standard of education."

Tibetan and Han teachers are required to use both languages in middle and primary schools, with Tibetan as the first language, she said. At present, Tibetan is already used as the first language in primary schools for Tibetans. "So Tibetan supplementary materials for primary and secondary education sell well."

Tibet now has a publishing house, 67 bookstores and a printing mill directed at a readers' market. These were unheard of in Tibet before 1951, the year of liberation, when there were only two or three stands in a downtown street in Lhasa selling Buddhist canonical books. Publishing house sources said that 200 titles -- 2.89 million copies -- came off the press last year and 270 titles will be published this year. Apart from textbooks, bookstores display Tibetan publications on folklore, fiction, medicine, popular science and such translated Han classics as "Outlaws of the Marsh" and "The Three Kingdoms".

As in other provinces, the counter selling picture-story books usually attracts Tibetan children and their parents. Despite the numbers, the original Chinese language captions are not translated. Publishing departments probably do not have the capacity to consider the children's needs.

Losang Danba, manager of the regional Xinhua bookstore, says peasants and herdsmen in Tibet still have difficulty buying the books they want. Since the production responsibility system was introduced in the countryside, each and every family wants to know more about scientific farming. "As a result," he says, "books on such things as how to use farm chemicals and fertilizers are badly needed." He called on the publishing departments to put out more easy popular science and fiction. "We also need more and more books for Tibetan children," he said.

FORMER MAINLAND MIG PILOT ARRIVES IN TAIPEI

OW241047 Taipei CNA in English 024 GMT 24 Aug 83

[Text] Taipei, Aug. 24 (CNA) -- Sun Tien-chin, former Communist Chinese Air Force pilot who flew a MIG-21 jet fighter to South Korea on Aug. 7, arrived in the Republic of China around noon Wednesday, National Defense Spokesman Wang Miao said at 2:30 p.m.

According to spokesman Wang, Sun was a deputy squad leader of a test flight research center belonging to the Communist Chinese Air Force. Sun flew a MIG-21 jet fighter while on a training flight from Dairen, a seaport in Liaoning Province in northeastern China, to a South Korean military air strip south of Seoul in the afternoon of Aug. 7 to seek freedom.

Spokesman Wang, on behalf of the Government of the Republic of China, expressed appreciation to the Government of South Korea to let Sun proceed to the ROC at his will and on the basis of humanitarianism. The government also owed the ROK a gratitude for extending hospitality and proper security escort to Sun during his stay in Korea, he said.

CHINA POST REPORTS MIG PILOT'S PRESS STATEMENT

OW250833 Taipei CHINA POST in English 22 Aug 83 p 4

[Text] Former Communist Chinese MIG-21 pilot Sun Tien-chin's testimony at the news conference held in the Republic of Korea on Saturday deals a hard blow to the Chinese Communist regime's united front propaganda. He declared in explicit terms that he defected because he was dissatisfied with the communist system and yearned to live in Taiwan, the bastion of national recovery of the Republic of China. That was a clear and thought-provoking statement.

It should be emphasized that Sun was speaking in a foreign country and therefore out of his own free will. This made his remarks credible. When asked by reporters about the motive for his defection, Sun stated that "In 1957 I began to realize that what the Chinese Communist regime was actually doing was not the same as its propaganda. The disastrous Cultural Revolution, in particular, created a poignant feeling..."

"The Cultural Revolution left me disillusioned...I haven't been able to put it out of my mind in the more than 10 years since then. The life I have lived personally in the last several decades has made me tired of the communist system and determined to pursue freedom..."

"I decided to pursue freedom not because I wished to gain a high government position, nor to seek a fortune, nor to gain a better career, but to live a decent, honest life."

Although this particular statement is Sun's explanation about his purpose in defecting to the free world, it is also a strong indictment of the communist system. It implies that people living under the communist system cannot even live honestly. This, to us, is easy to understand. The communist system is inherently suppressive and deprives people of the freedom to pursue their own ideals, do the things they want to, and to think their own thoughts. As has been revealed by other people who have fled the mainland, one has to be two-faced to survive while living in that society. Those who stay on the communist-controlled China mainland must continue to live a miserable life.

It is for this reason that more Chinese Communist Air Force pilots are expected to defect by flying out of the mainland to Taiwan.

As we have noted before, the existence of Free China is one of the major reasons why so many Chinese Communist Air Force pilots have defected or attempted to defect. Free China offers an alternative to the totalitarian society on the mainland. Free China, with its free and affluent society, has a great appeal for the civilians, members of the military and communist cadres on the mainland.

In recent years the Chinese Communist regime has made repeated peace overtures to the Republic of China Government. The regime has called for a "peaceful" reunification of China. The ROC Government has spurned all the overtures. The reasons are simple. One of the major ones is that Peking seeks to impose its Marxism-Leninism on Free China while in fact the quality of life on the mainland is a million miles behind that on Taiwan.

The desire for freedom and a good life is basic to all humans, and that is why communism, which aims to repress that desire, has been doomed to failure from the beginning.

#### ROK AMBASSADOR GREETES CHINA DEFECTOR'S ARRIVAL

OW250411 Taipei CNA in English 0353 GMT 25 Aug 83

[Text] Taipei, Aug 25 (CNA) -- Ambassador Kim Chong-kon of the Republic of Korea Wednesday expressed his gladness for freedom fighter Sun Tien-chin's arrival in Taipei. Asked to comment on the news, Ambassador Kim said, "I am very pleased to hear the news." This indicates that the ROK and the Republic of China share common ideals and anticommunist stand, he said, adding that the relations between the two nations will be further strengthened as a result of the fast handling of the case.

#### TAIWAN URGES PHILIPPINES TO ALLOW CAL RESUMPTION

OW250427 Taipei CNA in English 0349 GMT 25 Aug 83

[Text] Taipei, Aug 25 (CNA) -- Director General Liu Teh-ming of the Civil Aeronautics Administration Wednesday cabled Philippine authorities asking them to immediately allow China Airlines to resume its flights to Manila.

It is the first formal contact between the government authorities of the two countries since the Philippine Government ordered CAL to suspend flights Monday because of its involvement in the case of the death of former senator Benigno Aquino.

Liu sent cables respectively to Jose Astíras, chairman of the Philippine Civil Aeronautics Committee, and J. Singson, director of the Aeronautics Board, to express the Chinese Government's serious concern over the suspension of CAL's landing rights in Manila.

He said, in his cable, that the Chinese Government is deeply regretful for the Philippines' unilateral action against CAL. Based on the traditional friendship between the two countries and actual demand for air transportation, the Philippine authorities should understand CAL's innocence in the Aquino case, and reinstates CAL's landing rights in Manila soon, he stressed.



ZHAO ZIYANG GUIDELINES ON SHANGHAI ECONOMIC ZONE

HK180718 Hong Kong MING PAO in Chinese 18 Aug 83 p 5

["Special dispatch" from Beijing: "Zhao Ziyang Personally Gives Instructions on Economic Combination of Shanghai, Jiangsu, and Zhejiang"]

[Text] The Shanghai Economic Zone Planning Office under the State Council has recently called together the leading members of the municipality and provinces of Shanghai, Jiangsu and Zhejiang to a meeting in Beijing to discuss the planning work of the Shanghai Economic Zone. Zhao Ziyang gave instructions at the meeting, hoping to explore the question of the overall comprehensive restructuring of the Shanghai Economic Zone, to solve the contradictions of the separation of areas and of departments, and to gradually realize their merger into an organic whole.

Zhao Ziyang pointed out: The economy of the northeast lies in coal and electricity, and of Shanxi, in energy resources and the chemical industry. At present, it is only the Shanghai Economic Zone that needs to investigate and study the question of an overall comprehensive restructuring, so as to bring into full play the role of the center city and harbors. The three areas of Shanghai, Jiangsu and Zhejiang must end the condition of the separation of areas and departments, break a new path, and create a new situation.

He said, "I hold that the key to the task of the economic zone is to grasp well the planning of the zone, and its transprovincial and city economic planning by trades. It is for the planning office to draw up unified planning of the zone through coordination on the basis of the planning of the areas and departments. The planning will include not only capital construction, but also technical transformation. It is imperative to break the boundary between areas and departments, and to unify the planning of various areas and various departments under the planning of the zone. It is not permissible for each to go its own way; nevertheless, the organizational system will not be changed."

Zhao Ziyang said: The Shanghai Economic Zone will take Shanghai as its center. With 10 cities carrying out coordination between specialized departments and economic and sectoral combination that breaks area boundaries, it is necessary to continuously explore and sum up experience in depth and breadth with a view to gradually realizing their merger into an organic whole. The other nine cities have originally had various forms of connections with Shanghai; and it is not right that they should be separated. However, the causes that have created the separation are very complicated. There will be no change in administrative divisions, but it is necessary to develop in line with the merger into an organic whole. In order to practice economic combination, to share the interests, and to develop together, it is necessary to work out some concrete measures to solve problems and methods of calculation. The policies of price, profit, taxation, and so on should be advantageous to combination. However, it will not be enough only to rely on economic measures; the more important means is planning.

Concerning the zone planning and economic combination, Zhao Ziyang said: The aim is to develop productive forces and to raise economic results. So long as the economic results are increased, and there are good prospects of gain, it will be easy to handle the question of how to express the "sharing of interests," and how to calculate output value and the distribution of profit.

Zhao Ziyang emphatically pointed out: The current task is to do a good job in the planning work. Whether in planning or combination, it is necessary to have a view of the whole nation in thinking out problems; and in taking measures, it is necessary to give priority to the easy things before dealing with the difficult. The scope of planning can be widened a bit for different trades and areas; and various forms of economic coordination should not be restricted by economic division; however, do not make it too large at the beginning. He also said: It will not do to simply rely on the planning office for the zone planning and economic combination; it is necessary for various departments and localities to spontaneously participate in, and to give their vigorous support to them. It is necessary for the State Planning Commission and the State Economic Commission to give their support and aid in a big way.

PRC 'DOCUMENT' ON REUNIFYING OF 'WHOLE COUNTRY'

HK250132 Hong Kong HONG KONG STANDARD in English 25 Aug 83 p 1

[Text] A document listing China's overall position on Hong Kong is circulating among high-ranking Chinese officials, it was learned yesterday. The document reveals the thinking of Chinese leaders on matters like Hong Kong's public opinion, Beijing's investment strategy on the colony and the movement of British capital.

However, it does not disclose the progress of the Sino-British talks on the future of Hong Kong.

The paper, intended for internal circulation among high-ranking cadres, was distributed after Communist Party Secretary-General, Mr Hu Yaobang's recent remarks on recovering sovereignty on July 1, 1997. The document also discloses China's timetable for winning back the breakaway province of Taiwan and its position on Diaoyutai, over which Beijing is disputing with Japan concerning sovereignty. The paper says July 1, 1997 will be the day on which China begins the fulfillment of reunifying the whole country. Macao will be taken back in the same way and under the same model like Hong Kong, it says. In the late 90's, the whole country will be reunited, the document predicts. However, the question of Diaoyutai, as it involves international law, will be left to the next generation to solve.

On Hong Kong, the paper confirms what has been speculating for some time that a plan on the colony will be drawn up by China and Britain in two year's time, from the date of Mrs Margaret Thatcher's Beijing visit in September last year.

However, the paper warns that if Britain "hurts the interest of China and Hong Kong", Beijing will take back the colony immediately. It says the question of Hong Kong's future will be solved through consultations. The questions of retaining the Hong Kong dollar and the existing legal system in future are mentioned. It notes China has already used its financial resources to back the falling Hong Kong dollar. As to Hong Kong's future legal system, the document admits that China's law codes are inadequate. It also says China is considering allowing Hong Kong to remain under the capitalist system for 50 years after 1997.

On China's investment in Hong Kong, the paper says many mainland companies have set up offices in Hong Kong to channel in capital. It quotes examples of China resources registering in Hong Kong as a limited company and the recent setting up of Everbright and Violight -- China's first private corporations in Hong Kong. The profit generated by these Chinese companies will be used in reinvesting in Hong Kong.

According to the document, China is not worried about the outflow of capital from Hong Kong. "Once the 1997 question is settled and the confidence is regained, the capital would return."

Beijing has been closely watching major projects in the colony, such as the suspension of the expansion of the MTR [Mass Transit Railway] the airport and the construction of the Lyemun bridge.

The document says Beijing has also been monitoring closely the activities of British businessmen in Hong Kong. It observes that British businessmen are "stable" in Hong Kong as the colony is one of the places in the world where profit could be easily obtained.

The paper says Hong Kong people have different understandings of prosperity and stability. Some people feel their prosperity will not be guaranteed after 1997 as they fear they can no longer speculate and their property will be confiscated.

The document points out that the public opinion presented by the Hong Kong Government has been "distilled". It says Hong Kong will play a stimulating role in the economic construction of China. Hong Kong will also serve as a model for Taiwan in the reunification.

The document says Chinese leaders are working very hard to reunify the country, which has been divided since the Opium War in 1840.

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